DOCUMENT RESUME

ED 212 848 CE 031 375

AUTHOR Heller, Barbara R.; Florio, Carol
TITLE Money Management for Women: A Demonstration of the Role of Community Organizations in the Delivery of Consumer Education.
INSTITUTION City Univ. of New York, N.Y. Inst. for Research and Development in Occupational Education.
SPONS AGENCY Office of Consumer's Education (ED), Washington, D.C.
REPORT NO CASE-16-81
PUB DATE Dec 81
NOTE 153p.

EDRS PRICE MF01/PC07 Plus Postage.
DESCRIPTORS Adult Education; Adults; *Community Organizations; *Consumer Education; Credit (Finance); Demonstration Programs; *Economically Disadvantaged; Females; *Material Development; Mathematics Instruction; *Money Management; Program Development; Program Implementation; *Womens Education; Workshops

ABSTRACT

The Money Management for Women program was designed and implemented to provide lower-income women with financial planning information geared to their current level of understanding and financial circumstances. Objectives were to develop a model consumer education program and test the efficacy of community-based organizations as agents in delivering consumer education. Seven community-based organizations were selected to participate in implementing the program, and course content and materials for the program's leader-training and participant-workshop components were developed. Workshop materials--worksheets, factsheets, leader's guides/syllabus, and recruitment and evaluation materials--were developed around four major content areas: Attitudes Toward Money, Money Management, and Math; Constructing a Personal Money Management Plan; Choosing Checking and Savings Plans; and Managing Credit. During the project, staff members upgraded their career skills and acquired confidence in directing special projects. Workshop participants indicated a positive difference in their lives. Recommendations were made for workshop staffing, role of workshop leader, math segment, participant materials, program length, and topics. Appendixes, amounting to over one-half of the report, include workshop session outline, interest/needs questionnaire and responses, syllabus, and participant materials. (YLB)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED212848

MONEY MANAGEMENT FOR WOMEN: A DEMONSTRATION OF THE ROLE OF COMMUNITY ORGANIZATIONS IN THE DELIVERY OF CONSUMER EDUCATION

BARBARA R. HELLER
CAROL FLORIO

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☐ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

L. Cohen

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Institute for Research and Development in Occupational Education
Center for Advanced Study in Education
The Graduate School and University Center
of the City University of New York

CASE #16 81
DECEMBER 1981

THIS PROJECT WAS PERFORMED UNDER A GRANT FROM THE OFFICE OF CONSUMERS' EDUCATION, U.S. DEPARTMENT OF EDUCATION, PROJECT #564 AH 00326.

CE 031 375

FOREWORD

The Institute for Research and Development in Occupational Education (IRDOE), although concerned with adult and continuing education throughout the years, had devoted itself to research and development aspects as opposed to instruction per se. Instruction, while often a part of our activities for testing and modeling purposes, was not perceived as an ongoing function; rather, once proven exemplary, instructional programs were disseminated for replication by others.

So it is with the project reported on herein. Recognizing the special needs of lower-income women for skills in money management, a program of six sequential two-hour sessions were developed to convey a broad understanding of the principles and practices of money management, to provide participants opportunities to apply the tools and techniques to their individual situations, and to bolster their confidence in the exercising of control over the financial aspects of their lives.

Through five demonstration workshops, involving 80 lower-income women, IRDOE developed what is believed to be an exemplary program. The workshops, held in cooperation with five community-based organizations and led by female personnel from the host organizations after training by project personnel, have now been institutionalized as regular program offerings. Replication by others through this reporting mechanism is highly encouraged.

Lee Cohen, Ph.D
Director

ACKNOWLEDGEMENTS

As in all special programs, a number of people contributed to the making of MONEY MANAGEMENT FOR WOMEN. We appreciate the opportunity to acknowledge here the people whose combined efforts made it all possible.

As always, we are grateful to Dr. Alan Gartner, then Director of the Center for Advanced Study in Education, and Dr. Lee Cohen, Director of the Institute for Research and Development in Occupational Education for following our progress with interest and being available when we needed advice. And to Mrs. Anne Greiner of the City University of New York's Graduate School and University Center for securing the facilities we needed in which to conduct the training meetings.

Without the administrators who believed in the project enough to contribute their organizations' facilities and staff to implement the workshops, there would have been no project. Our thanks to: Betty Springer of the Day Care Council of New York, Bernard J. Wohl of Goddard-Riverside Community Center, Judy Schulman-Miller of the Samuel Field YM-YWHA Single Parent Center, Sue Jones of the Single Parent Family Project, Carole Frank of University Settlement, and Diane Rubin of the YM-YWHA of Greater Flushing Single Parent Family Center.

To the seven women who so ably represented their organizations in leading the pilot workshop programs -- Fredenia Butler and Faye Mitchell (Day Care Council), Marilyn Tessler (Goddard-Riverside), Judith Berhun and Marion Zamis (Samuel Field Y), Ellen Most (YM-YWHA of Greater Flushing), and Peggy Arroyo (Single Parent Family Project) -- we offer both our gratitude and our congratulations for a job well done. Individually and collectively these women were remarkable for their achievements as workshop leaders and for their dedication to the program's goals. We consider ourselves very fortunate to have had the opportunity to work with them.

Special acknowledgement is also due to our consultant, Dr. Stanley Kogelman, Director of Mind Over Math, not only for his substantial contribution to the content of the program's math component, but also for the cheerful and tireless creativity with which he conducted this session at the workshop leaders' training meeting and at each of the five participant workshop sessions.

Then there is our own staff, whose spirit and energy allowed us to proceed at the usual hectic pace without sacrificing quality or good humor. Ms. Wendy Geringer and Ms. Abbe Jean Brownell collected and reviewed books, brochures, and booklets, and also put together the early outlines from which the program syllabus evolved. Ms. Geringer also wrote the original drafts of many of the program materials, questionnaires, and evaluation instruments; conducted field observations; tabulated questionnaire and evaluation data; and assisted with the final revision of program and materials.

Ms. Ruth Roman-Marrero, in addition to setting up our accounts, typed all of the original program materials, struggling through a series of semi-illegible drafts and our many changes of mind with her characteristic calm and fortitude. As a new addition to our staff, Ms. Karen O'Brien took over the project's administrative details and was responsible for preparing this report and the revised syllabus and materials for publication.

Special mention is also due to the organizations that helped us obtain materials that contributed to the program's effectiveness, namely: the Consumer Education Resource Network (CERN), whose specially compiled bibliographies led us to resource materials used in the program's design; and the New York City Department of Consumer Affairs, Consolidated Edison, the New York Telephone Company, and Citibank, N.A., all of whom contributed supplementary participant materials for the workshops.

Finally, a very special acknowledgement is due to the women who participated in the MMW workshops for their remarkable contributions. Their commitment to their work and their willingness to invest their time week after week and to share themselves and their ideas with each other were perhaps the most important ingredients in determining the project's success.

Barbara R. Heller

Barbara R. Heller

Carol Florio

Carol Florio

TABLE Of CONTENTS

	PAGE
FOREWORD	i
ACKNOWLEDGEMENTS	ii
TABLE OF CONTENTS	iv
INTRODUCTION	1
PROGRAM PLANNING AND DESIGN	3
Identification and Selection of Cooperating Community-Based Organizations	3
Orientation/Planning Meeting	5
Development of Workshop Syllabus and Materials	7
WORKSHOP CONTENT	10
Attitudes Toward Money, Money Management, and Math	11
Constructing a Personal Money Management Plan	14
Choosing Checking and Savings Plans	24
Managing Credit	26
PROGRAM IMPLEMENTATION	29
Leader Training	29
Participant Workshops	30
PROGRAM IMPACT	31
Cooperating Organizations	31
Workshop Participants	32
CONCLUSIONS AND RECOMMENDATIONS	35
APPENDIX A: Orientation/Planning Meeting Agenda	A1
APPENDIX B: Workshop Session Outline	B1
APPENDIX C: Interest/Needs Questionnaire and Responses to Selected Questions	C1
APPENDIX D: Syllabus	D1
APPENDIX E: Participant Materials Developed by CASE/IRDOE for the MONEY MANAGEMENT FOR WOMEN program	E1

MONEY MANAGEMENT FOR WOMEN: There Has to be Another Way

I. INTRODUCTION

The conventional view that limits woman's role to that of wife and mother and her responsibilities to homemaking, no longer reflects reality. A woman today is more apt to be a wage-earner than a full-time homemaker, to be single and living alone or as a single head of household than to be married and living with a husband.

As woman's contribution to the economic well-being of the family increases so too does her need for financial planning and money management skills. Banks, stock brokerages, insurance companies, and other financial institutions, recognizing the discrepancy between women's growing workforce participation and their experience in managing personal financial affairs, have targeted women as a potential new market for their services and are now developing seminars, brochures, and advertising campaigns especially for them. Typically these efforts provide welcome information on specific financial topics, such as tax-sheltered investment opportunities and estate planning. While information of this sort may meet the needs of the relatively small number of women already familiar with financial planning concepts and language, it often has little applicability--and therefore makes little sense and is of minimal benefit--to the majority of women who are neither aware of the number of factors that enter into personal financial planning nor at an income level to take advantage of them. In other words, the preponderance of financial management programs and materials available for women today tend to assume a higher level of income and understanding (and self-confidence) than most women possess, including the majority of lower-income women, for whom financial problems are more severe, mistakes more costly,

and the need for skills to manage their limited resources most pressing.

In 1980-81, with funding from the Office of Consumers' Education, the CASE Institute for Research and Development in Occupational Education designed and implemented the MONEY MANAGEMENT FOR WOMEN (MMW) program specifically to provide lower-income women with financial planning information geared to their current level of understanding and financial circumstances.

This one-year project had two broad goals:

- to develop a model consumer-education program that would improve the money management competencies, including math skills, of lower-income women; and
- to test the efficacy of community-based organizations as agents in the regular delivery of consumer education by actively involving them in the implementation of the MONEY MANAGEMENT FOR WOMEN program.

To achieve these goals, our objectives for 1980-81 were to:

- develop a competency-based minicourse in personal money management specifically for women.
- recruit seven community organizations to sponsor workshops based on the minicourse.
- train two staff members from each participating organization to lead a MMW workshop series, and oversee the implementation of the program in the community settings.

The program consisted of two major components. Both involved training. The first was a series of training meetings for employees of community-based organizations that provided them with (a) generic group leadership skills, (b) theoretical and philosophic background in money and its management, and (c) session-by-session walk-throughs of the strategies and materials they then would use to conduct a workshop series for participants. The second component, initiated after the third leader training meeting, was a multi-session program for women served by each cooperating agency but specially recruited for the MMW project, led by the agency personnel we had

trained.

This report describes the detailed activities undertaken to achieve these objectives (and the successes and pitfalls we encountered along the way) assesses the project's impact on the cooperating organizations, the workshop leaders, and the women who participated in the workshops; and discusses recommended modifications of the MMW model.

II. PROGRAM PLANNING AND DESIGN

During the first half of the project year, staff time was devoted to two major tasks: the selection of community-based organizations that would participate in implementing the program, and the development of course content and materials for the program's leader-training and participant-workshop components.

While many of the activities involved in these two tasks overlapped chronologically, priority was given to the selection of community organizations to insure there would be ample opportunity for them to contribute to the program's design.

IDENTIFICATION AND SELECTION OF COOPERATING COMMUNITY-BASED ORGANIZATIONS.

During the first two months of the project, we identified approximately 50 community-based organizations as potential hosts for the MMW program. Lists of organizations were generated on the basis of personal staff contacts and in cooperation with the New York State Bureau of General Continuing Education and the National Self-Help Clearinghouse. Typically, these organizations fell into three broad categories: Y's, neighborhood or settlement houses, and self-help organizations addressing the needs of special subpopulations of women (e.g., displaced homemakers, battered wives, single parents).

To select from among this large number seven organizations that would

to be able to mount a successful demonstration of the MONEY MANAGEMENT FOR WOMEN program in 1981 and also most likely to institute the program as a regular offering, the following criteria were used:

1. Institutional stability, defined as organizations with an on-going operation for two or more years, and a permanent core of paid employees.
2. Current service to MMW's target population (lower-income women not wholly dependent on public financial assistance) and interest in expanding the range of that service.
3. Ability and willingness to absorb the cost of freeing two female staff members to be trained as leaders in the conduct of a MMW workshop, as well as cooperating in the recruiting of participants, and in providing facilities for a workshop.

Information about target populations currently being served and about the adult programs currently being offered was gathered from the Y's and self-help groups by phone or letter. Initial contacts with New York City's 37 neighborhood and settlement houses (which we surmised would constitute the majority of the project's cooperating institutions), were through their coordinating agency, United Neighborhood Houses. United Neighborhood Houses enthusiastically endorsed the project and disseminated information about the program to all neighborhood and settlement house directors. After this warm reception, however, our followup phone calls to the individual organizations during the early weeks of December introduced us to the following chill reality:

YES...directors felt the program was
-an excellent idea
-very much needed by the women they served
-something they would like to offer

BUT...
-their staff was small and seriously overcommitted

-they were finding it difficult to provide even their traditional social services
-adult education programs, when offered, were
-taught by outside volunteers

IF HOWEVER...
-we would run the program for them they would be delighted to provide the facilities.

Although we had anticipated some such response from a small number of houses we had not expected that virtually all organizations providing social services to lower-income populations were operating on shoe-string budgets and staffed by so few employees, most of whom were hired with special project funds to provide specific services. This situation poses a severe problem for agency directors who wish to try out non-funded programs like MONEY MANAGEMENT FOR WOMEN, since reassigning staff to implement them would mean cutting back the level of mandated services. Generally, the best a director can do under such circumstances is to promote the new program with such enthusiasm that staff members will volunteer to take it on in addition to their regular responsibilities. Until adult consumer education programs are recognized as a service as essential and worthy of funding as, for example, recreation, social service organizations will be hard-pressed to make staff available to implement them on a regular, on-going basis.

However, in spite of this universal problem of staffing, by the start of the calendar year we had identified 12 organizations that met all but one of our criteria (ability to provide <u>two</u> workshop leaders) and whose high levels of interest suggested good working relationships: nine settlement houses, two YM-YWHA's, and a coordinating agency for single-parent self-help groups.

ORIENTATION/PLANNING MEETING

These twelve organizations were invited to send representatives to an Orientation/Planning meeting at CASE's offices on January 21st. The

the program might be structured to be as workable as possible for the cooperating organizations. In addition to outlining our mutual responsibilities, we were also concerned with obtaining feedback on the tentative course outline, assuming that agency representatives would be conversant with the needs of the women they anticipated would participate in their workshops. (See Appendix A for meeting agenda).

The general meeting resulted in several program modifications:

- The two-leader requirement was waived to allow participating organizations the option of sending either one or two staff members to be trained to conduct the participant-workshop series. Our original plan to train two representatives per agency which would allow shared responsibilities, mutual support and backup, and after the program, leave each agency with a cadre of two people trained and experienced in the program was regrettfully changed to comply with practical constraints.

- The number of workshop sessions was reduced from eight to six, and the length of each session was reduced from three to two hours. The consensus of opinion among agency representatives was that the originally proposed 24-hour, 8-session program constituted an excessive time commitment from workshop participants, particularly if (as would most likely be the case) workshop sessions were held on weekday evenings when most participants would have already put in a full day of work. To accommodate their views, we reduced the number and shortened the length of sessions.

- Leader-training meetings and workshop sessions were rescheduled to begin in April rather than in March. Since few of the potential participating agencies were currently offering programs specifically for the target audience we hoped to recruit, they

requested additional time to reach out to appropriate participants.

- The scope (content) of the workshop program was narrowed. Cutting the workshop series from a total of 24 to a total of [illegible] hours obviously meant there would be less time to devote to each program topic. To allow sufficient time to thoroughly cover the 10 topics agency representatives and project staff deemed most crucial, several other topics, such as insurance, were eliminated. Appendix B contains the agreed-upon final workshop course outline.

The planning meeting also enabled us and the agencies to select those who would participate. It was mutually agreed that the following organizations would be involved in the 1980-81 MMW program:

DAY CARE COUNCIL OF NEW YORK, INC.
GODDARD-RIVERSIDE COMMUNITY CENTER
LENOX HILL NEIGHBORHOOD ASSOCIATION
SAMUEL FIELD YM-YWHA (Single Parent Center)
SINGLE PARENT FAMILY PROJECT
UNIVERSITY SETTLEMENT HOUSE
YM- YWHA OF GREATER FLUSHING (Single Parent Family Center)

By early March, all plans had been finalized: each organization had chosen it's workshop leader or leaders; a firm schedule for leader-training meetings had been agreed upon; and non-conflicting dates established for each of the seven agencies' six-session workshop series.

DEVELOPMENT OF WORKSHOP SYLLABUS AND MATERIALS

During the time that participating organizations were being identified, workshop leaders chosen, and schedules being arranged, project staff were also compiling materials and developing the syllabus for the workshop program. This included ordering and collecting materials already in print, designing exercises for each content topic, and preparing a Leader's Guide for

each session.

The overall purpose of the MMW workshop program was to introduce lower-income women to information, concepts, and techniques that would enable them to increase their competence as money managers, and to do so in a way that would help each workshop participant acquire the finance-related consumer skills and confidence to:

- analyze her personal and family goals, values, and priorities as they relate to financial planning
- understand planning as a process (setting goals, determining objectives and priorities)
- approach numbers without fear and handle basic arithmetic manipulations
- construct a short-range budget that realistically expressed her values, met her established priorities, and moved her in the direction of her goals
- acquire a workable understanding of the language and concepts of basic financial transactions
- apply principles of effective comparison shopping
- evaluate and modify her personal or family financial plan to meet changing social, economic, and personal circumstances.

With these objectives in mind, we established four criteria for program content:

(1) It must directly promote the program's general goals for participants. Meeting this criterion meant isolating and incorporating the topics and elements that constitute the basic building blocks of personal financial management. Here we were guided by tradition both in the choice of broad topic areas and in their sequencing -- beginning with the identification of personal financial goals, moving through five stages of budget design to buying on credit and borrowing money.

(2) Content must be relevant to the lifestyles, interests, and financial circumstances of MMW's intended audience. To design a program that would

most effectively meet audience needs, we began with a set of generalized assumptions about the women who might constitute this audience. These assumptions were based on our own experience in working with similar groups, on information and insights shared with us by community organizations that worked with them, as well as information provided by women themselves in response to a questionnaire survey distributed by the cooperating community agencies to potential participants during January, February, and March. (See Appendix C for a copy of this instrument.) Together, these sources suggested that in general, women who would participate in the MMW program would:

- see themselves as passive payers-of-bills rather than as active managers of their money
- be concerned about making do as best they could with the money available to them, but have little or no familiarity with the techniques and tools that would make it easier for them to do so
- handle their financial affairs on a short-term (day-to-day or week-to-week) rather than on a long-term (say, year-to-year) basis
- be unaware of exactly how they were presently spending their income (i.e., didn't know "where their money went")
- underestimate the number of options available to them and the impact of these options on the cost of goods and services.

(3) Content would also need to motivate and maintain participant interest since enrollment in the 12-hour program would be voluntary and no tangible incentive (credit, for example, or certification) for participation would be offered.

(4) Finally, content must addresss attitudinal barriers that often block women from achieving, or even seeking to achieve, greater skill in money management. Resistance to dealing with numbers (more prevalent among women that men) is one such barrier. Sex-role stereotyping is another. The subtle effects of social conditioning that define the nature of a woman as a-

economic may well contribute to the hesitancy, and often the anger, manifested by women who by choice or necessity assume a greater degree of economic responsibility for themselves. While no one questions that exercising financial control is appropriate for a man, there is no such consensus, even among women themselves, that it is equally appropriate behavior for a woman.

Another potential achievement inhibitor that we felt the program must address was lack of self-confidence. Women, particularly those with relatively limited financial resources, often avoid (or resist) seminars or courses on money management in the belief that they are irrelevant to their situation or, worse, beyond the scope of their comprehension. To counter this belief, we wanted a program that would demystify both the concepts and the process of money management. This we decided might best be done by incorporating homily analogies and examples drawn from everyday life to illustrate new concepts; thoroughly explaining not only how, but also why money managers follow certain procedures (e.g., estimating income, setting goals, identifying alternatives); providing opportunities for each participant to construct, step-by-step, a one-year money management plan of her own; giving each participant practice in dealing with numbers and support in confronting her own math anxiety; using a peer-group workshop format to stimulate a high level of audience participation and interaction; and training leaders in non-judgmental presentations that would promote mutual tolerance as well as independent decision making.

III. WORKSHOP CONTENT

Guided by the design criteria MONEY MANAGEMENT FOR WOMEN was developed around four major content areas:

Attitudes Toward Money, Money Management, and Math

Constructing a Personal Money Management Plan

Choosing Checking and Savings Plans
Managing Credit

The remainder of this section describes the topics covered in each of these content areas, and some of the materials, although not necessarily in the sequence in which they were introduced. In addition to the 34 worksheets and factsheets for participants which appear in Appendix E, arranged in sequence by session, project staff developed a session-by-session syllabus or Leader's Guide (See Appendix D), and recruitment and evaluation materials. Several worksheets--paper-and-pencil exercises for use individually or in groups during the session or at home--were adaptations of standard forms (e.g., those used to estimate annual income and expenditures). Some of the factsheets--reading and resource materials--were compiled from information drawn from other sources and reworded for this audience. Most of the materials, however, were created by project staff to meet two important needs: to provide participants with a record of the main issues they discussed, and to build in opportunities for active involvement. They were reproduced in sufficient quantities for distribution to agency administrators, group leaders, and workshop participants.

CONTENT AREA A: ATTITUDES TOWARD MONEY, MONEY MANAGEMENT, AND MATH

One of the characteristics that distinguishes MONEY MANAGEMENT FOR WOMEN from many financial planning programs is it's focus on the effects of attitudes and beliefs in determining women's (and no doubt men's) interest and competence in managing money.

In his Musings on Money, Eliot Janeway observes that "Stance [attitude] is everything when it comes to money"[1]. While that may be somewhat of an

---

[1]Eliot Janeway, Musings on Money, New York: David McKay Company, Inc., 1976, p. 38. Emphasis added.

overstatement (knowledge and skill also enter in), the effect of attitude and expectation on behavior merits attention in any discussion of a subject as emotionally loaded as money. Therefore, a number of MMW's activities and exercises were developed specifically to help participants explore their attitudes toward money, toward working with numbers, toward planning ahead, and toward the idea of themselves as active managers of their money and informed consumers of financial services. At the same time, we included strategies and exercises to enhance participants' confidence in their ability to identify and evaluate alternative actions, and make informed decisions to improve their financial circumstances.

Feeling Good About Myself. After a short introduction, MONEY MANAGEMENT FOR WOMEN opened with a simple exercise in which participants wrote brief accounts of two occasions on which what they had done or accomplished made them feel good about themselves. After sharing these success stories with their group, they were asked to recall another instance, this one involving money, when they did or accomplished something that made them feel good about themselves.

In addition to focusing attention on participants' past successes and demonstrating that everyone has definite feelings about money, the Feeling Good exercise (see Appendix E) was also an excellent ice breaker and helped establish the climate of mutual support we intended the program to encourage.

Following this exercise, there was a general discussion of participants' attitudes toward money and how these compared with women's attitudes as reported in the literature, their experiences with money as children, and the current methods they used to deal with money. Several factors emerged from this discussion as commonly contributing to women's uneasy feelings about money: lack of training and/or experience in handling money; association of money with such negative circumstances as parental worry, family arguments, struggles for control; dislike of working with numbers; and a lingering sense that financial matters are really supposed to be handled by men.

Our purpose in encouraging participants to voice their negative (as well as positive) feelings and to examine how these undermine their willingness to attempt and follow through in actively managing their money, was to clear the way for a more neutral, less anxiety-laden view of money and money management.

One way to erode the awesome power people often attribute to money is to define it as a personal tool or resource. To reinforce this view, a worksheet (i.e., an exercise for participants) on bartering was used to illustrate the similarity between money and one's personal resources of skill and time--all can be traded for goods and services. A similar parallel was then drawn between the methods women use to manage their time (to insure everything gets to the table on time for a holiday meal, for example) and those used in money management. Our intent was to help women recognize that they already possess the generic management skills that are needed to perform as a money manager.

What a Money Manager Does. A factsheet was used to introduce a money manager's four basic tasks: understanding her values and goals; planning for what she wants; keeping track of her money; and knowing her options and how to evaluate them. The first three of these tasks were discussed separately at different points in the program and are included in the following description of "Constructing a Personal Money Management Plan". Discussion of the money manager's fourth task --knowing her options and how to evaluate them -- began in Session #1, but because of its essential role in decision making, this subject was reintroduced throughout the program whenever decision-making was considered.

Consumer Choices: Exploring Options. Thinking in terms of alternatives was introduced initially by a factsheet that detailed a wide range of options available to a consumer who wished to buy a book, a jar of mayonnaise, or telephone service. The purpose of detailing these options was to convey in a concrete way (a) how few of all of our possible alternatives we typically consider, and (b) how the cost of goods and services often depends

on how they are packaged, where they are sold, and when they are purchased.

Money and Math. Money management inevitably requires a willingness to deal with arithmetic. We believed that one way to counter attitudes toward math that might potentially hamper participants' efforts to become better money managers would be to provide an opportunity for them to explore their feelings about dealing with numbers and to review the basic arithmetic processes that are most often used in money management. To accomplish these goals, an experienced instructor of mathematics and leading expert in math anxiety was retained and two program hours set aside in which an informal, low-key dialogue could be carried on between participants and mathematician. This program segment began with an acknowledgement that many people are uneasy about dealing with numbers followed by discussion of participants' experiences in learning math and how they currently felt when faced with doing it. Next participants were presented with a problem drawn from everyday life in which doing math was necessary to determine the most inexpensive course of action. This Typical Problem also provided the context for a detailed discussion of the properties of fractions, decimals, and percentages. Finally, a factsheet, Math Games, was used to illustrate ways in which people unconsciously undermine their own confidence and efforts to do math .

CONTENT AREA B: CONSTRUCTING A PERSONAL MONEY MANAGEMENT PLAN

This general content area was divided into five parts and constituted the program's "technical core."

Part 1: Determining Financial Goals and Priorities.

Explicitly stated financial goals can make the difference between an effective and an ineffective money management plan. The rationale for personal money management plans is to assist people in marshalling their financial resources to achieve specific ends, whether it be freedom from debt, yearly vacations, dining out on a regular basis, or schooling for self or

children. Without a purpose, a plan has no direction, and without a goal that makes change worthwhile a budget becomes merely a collection of onerous constraints and limitations. Because translating dreams and hopes into explicit goals or "I want" statements is a difficult process, we designed two activities specifically to help participants define their personal financial goals as concretely as possible.

The Lottery. At the close of Session #1 participants were given a homework problem: to describe how they would spend a hypothetical lottery prize of $10,000. When participants reassembled for Session #2, each read her list aloud. The group then sought to discern what underlying goal each listed item might suggest. For example, for a listing that read "pay my outstanding bills" participants inferred "being free of debt" as a likely goal; "start a savings account" prompted interpretations that ranged from "financial security" to "buying new furniture," and a recognition that to understand this goal it would be necessary to know what the money was being saved for.

The intent of this exercise was three-fold: (a) to stimulate participants' thinking about their personal financial goals and to demonstrate how things they wanted to have or do offered clues to what those goals might be; (b) to emphasize that there are no right or wrong goals, and (c) to demonstrate that people typically have a number of financial goals.

My Financial Goals. The second goal-clarification activity centered on a worksheet which listed some 20 common financial goals (e.g., buy a new car, go to the movies regularly, invest in job training for myself, own a home of my own, not be in debt). The purpose of this exercise was to help participants more narrowly define what it was they most wanted and to establish priorities among their goals. Participants were asked to check whether each item on the list was "Not at all Important", "Somewhat Important," or "Very Important" to them. Then, of the items they had checked as "Very Important", participants were asked to select the three Most Important of all. The group discussed their three Most Important goals,

and why they had chosen them. Explaining to one another why certain goals they had initially considered Very Important were not among the top three was an extremely useful strategy for enabling each participant to demonstrate to herself and others her ability to rank her priorities and to see how these, in turn, related to her values.

Negotiating Differences. Unless one lives alone a personal money management plan will usually need to take account of the goals of other members of the family. And if, as is likely, family members have different goals and therefore different ideas about how money should be spent, there will be a need to negotiate mutually acceptable solutions when conflicts arise over how money is to be spent.

We felt that this situation provided an appropriate context for another demonstration of the value of developing and evaluating alternatives -- in this case, alternative tactics for achieving agreement between people with conflicting ideas about how to spend money.

To elicit examples of the various strategies people use to resolve differences, participants were paired and asked to pretend that they were members of the same family. Holding to the three goals each had decided earlier were "most important" to her, each pair was to reach a mutually satisfactory agreement on how they would spend $600. After 10 minutes each pair of participants described how they had arrived at their solution. Common alternatives included:

- taking turns -- one person gets what they want now by agreeing to allow the other to have her way the next time money is available.
- giving in -- one person simply gives in to the other's wishes.
- setting priorities -- one agrees that the other's need is currently more important than her own.
- winning them over -- one member's convincing arguments wins the other over to her way of thinking.
- trading off -- one agrees to go along with the wishes of the other in trade for some other form of compensation.
- changing the tune -- instead of each insisting on her original plan, they come up with a new proposal that both agree on.

To demonstrate how results might differ depending on the choice of strategy, paticipants were each assigned one of the six "negotiation tactics" and asked to explain how, using that strategy, a hypothetical family (mother, father, teenage daughter, and younger son) might resolve their differences over how the family's savings should be spent and how that solution would affect each member individually.

In addition to again illustrating the significance of identifying and evaluating alternatives, these two exercises also highlighted the connection between personal goals and values and how what we buy, where, and when can provide a powerful set of clues as to what we value or hold important.

Part 2: Estimating Annual Income.

A great many women handle money matters on a day-to-day, week-to-week, or paycheck-to-paycheck basis, tailoring spending decisions to the amount of cash or credit currently available--or sometimes to the hope of better times just around the corner. Few formulate long-range financial plans, and many are unaware of how much income they are apt to have for any given year. Dealing with money in this short-range fashion puts one in a position very similar to that of the near-sighted pedestrian inching his way along a heavily trafficked thoroughfare, constantly ducking and dodging to avoid being knocked over by obstacles that suddenly loom into view.

Short range vision can be as hazardous in financial affairs as it is on the highway. Handling them with one's eyes closed can be disastrous. A long-range perspective not only allows us to see and prepare for what we're apt to encounter further on, but to do so in a way that keeps us on course toward our destination.

In personal money management a powerful antidote for short-sightedness is estimating. Estimating the amount of money there will be to work with during the year and how much will go where if current spending patterns continue, provides a clear indication of what our year-end financial situation is apt to be. If that year-end picture indicates progress toward a chosen goal, fine. If, on the other hand, it suggests we're heading in the wrong direction, this early warning gives us time to replot our course -- to

modify our spending, our income, or both.

We reasoned that introducing estimating as a tool that could be used to avoid unwelcome surprises would help to allay participants' resistance to looking into their financial futures (for fear of finding them even grimmer than they suspected) and to strengthen their perception of themselves as active money managers able to make changes and exert control to shape the course of their financial lives.

The income (and expense) estimation forms used by participants in MONEY MANAGEMENT FOR WOMEN, listed standard income sources, but were designed so that participants could calculate total estimated annual income (or expense) by source according to whether it was usually received once each week, each month, each quarter, or each year. This format reduced the amount of time required to complete the estimating, and made explicit the arithmetic manipulations needed to arrive at a final total. Participants were advised to be as accurate as possible but when in doubt to underestimate the amount of income they might expect to receive from any given source.

Although participants would have to check their estimates later against actual records at home and make adjustments where necessary, doing an initial estimation during the session insured that through group discussion participants would identify all of their income sources, calculate the totals correctly, and have an opportunity to ask questions and practice this technique under supervision.

Part 3: Estimating Fixed and Semi-Fixed Expenses.

If women do not know what their total annual income is apt to be, they are even more likely not to recognize that a large proportion of that income is already committed to cover fixed and semi-fixed expenses, and that the amount of money available for discretionary spending is therefore seriously restricted.

To introduce the standard method used to categorize personal expenses, participants were asked to name as many expenses as they could think of. Their responses, recorded on newsprint by the group leader, were then

examined to discover commonalities and differences. The purpose of this activity was to have participants provide examples that would illustrate the underlying differences among:

Fixed Expenses: payments of the same amount made according to a fixed pre-arranged schedule (e.g., mortgage or rent payments, loan payments);

Semi-Fixed Expenses: expenses for essential goods and services that occur regularly but for which the amount of the payment may vary (e.g., utilities, phone service, food); and

Discretionary Expenses: items for which both the amount and the timing of payments is at the discretion of the individual (e.g., clothing expenses, personal care expenses, entertainment).

Using their estimating skills and a staff-designed worksheet, participants then calculated the total number of dollars that would be spent during the year in every fixed and semi-fixed expenses category--one of which was savings.

Like many people, a large proportion of the MMW participants tended to assign savings the lowest priority -- to treat savings as a luxury of sorts to indulge in only after bills were paid and discretionary purchases made for the month. Including savings among the high-priority fixed expenses was done to prompt participants to re-examine their current ideas about saving and to propose the notion that savings might be viewed as a way of paying oneself and of accumulating the means to achieve other personal goals.

Before moving on to the topic of discretionary expenses, participants summarized their work by deducting their total fixed and semi-fixed expenses from their total annual income to determine how much would be left over.

This exercise was simultaneously dispiriting and enlightening for a majority of MMW participants, few of whom had ever considered, much less calculated, how much of each year's income was dedicated to meeting on-going expenses over which they had little control. The evidence that fixed and semi-fixed expenses would consume one-half or more of their annual income proved a shocking revelation to many participants but one that helped

explain why they regularly felt they had so little "spendable" (i.e. discretionary) income.

Part 4: Estimating Discretionary Expenses.

Fixed and semi-fixed expenses, which involve regularly occurring payments of roughly similar size are fairly easy to estimate. Discretionary expenses, however, are far more difficult to project not only because each individual controls how much will be spent when, but also because the wide variety of items covered by discretionary spending vary widely in cost and the number of times they are purchased during a year.

Three program activities were designed to help participants impose order on the chaotic diversity of discretionary expenses: (1) a personal Expense Diary, (2) a detailed examination of the types of items included in each major discretionary expense category, and (3) "guesstimating" discretionary spending for one year.

Expense Diary. During the program's first session, each participant was given an Expense Diary (a small notebook) in which they were asked to keep, for at least one month and preferably for the remainer of the year, a daily record of all purchases they and other income-contributing family members made by check and by credit card as well as with cash. Although a one-month record would be insufficient for accurately projecting their annual expenses (since it would not show the fluctuations that normally occur from month to month and season to season), it would provide participants with an idea of their actual spending patterns, demonstrate how relatively small-cost purchases (e.g., newspapers, lunches, movies) add up to impressive amounts of over time, and each day focus participants' attention on the number and type of purchases they made.

For a money manager to keep track of her money, it is important that she have a complete picture of her spending patterns. To aid participants in estimating their discretionary spending, which consumes somewhere between 40 and 50 percent of the "average" family's annual income, a half-hour was set aside to discuss the wide variety of items that might be included under the heading of discretionary expenses. The intent of this discussion was to

introduce a standardized system of expense classification and to provide an opportunity for participants to question and refine that system to meet their individual situations. This discussion also reduced the amount of time participants needed to complete their discretionary expenses estimation worksheet by clarifying what items fell into what categories, and enhanced accuracy by suggesting the many types of items a particular category could include (e.g., Gifts and Contributions might include, along with birthday, graduation, holiday gifts, and religious contributions, such other items as cards, wrapping paper, raffle tickets, etc).

When their worksheet were completed, participants compared the figures they had used to make their estimates with the amounts they had actually spent in one month as recorded in their Expense Diaries. We reasoned that such a comparison would illustrate any discrepancies between their idea of how much they spent in each category and what they actually were spending. Faithfully kept, an Expense Diary not only provides a check to improve the accuracy of one's estimates, but also helps pinpoint areas in which actual spending is exceeding one's pre-defined limits.

Finally, each participant compared her total estimated discretionary expenses with the amount she had determined earlier would be available for discretionary spending and discovered, inevitably, that expenses were going to overrun income. Despite this dismal news, however, participants had now achieved an important money management goal: they had constructed a model of what their financial situation would be at year end if they continued their current spending patterns. If what they saw did not please them, they now had all the "facts" and could make the decisions necessary to change it: decisions about where and how to trim this year's projected expenses to bring them into balance with this year's income.

Part 5: Balancing the Plan.

The final and perhaps most important stage in the development of a personal money management plan consists of determing where to begin cutting expenses, deciding how much can be reasonably cut in any specific expense category, and identifying alternative methods of cutting expenses.

To determine where in their own plans they might begin cutting back, participants, using a master list of expenses, were asked first, to mark all categories in which they felt expenses could not or should not be cut this year; second, to select three categories from among those remaining that represented expenditures which were very important to them; and finally, to circle three categories that were least important to them.

Participants then began the arduous work of balancing their money management plans by adjusting their original expense estimates downward--initially by 25 percent in their three least important categories, and 10 percent in others--until their plan balanced. Each adjusted total in turn was subjected to a "reasonableness test": after calculating how much would be available each month for all the activities or purchases in a category, participants asked themselves whether they would honestly be willing and able to live with this decision. For example, a participant who originally estimated she would spend a total of $800 for clothing this year decides that "Clothing" is one of her least important expenses, reduces her estimate by 25 percent, and arrives at an adjusted annual total of $600. To test the reasonableness of this, she calculates what that amounts to in terms of dollars available for clothing purchases each month (in this case, $50), and then asks herself whether in fact she is willing to limit monthly clothing purchases to this amount. If yes, she adopts the new estimate and moves onto the next category she intends to cut. If, however, she decides that this $50-a-month guideline is "unreasonable" she revises her estimate slightly upward if she feels it is too low, or still further downward if she decides she can get by spending even less.

There is no quick way to balance a money management plan. No matter what the size of one's annual income, adjusting spending so as not to exceed income is both difficult and time consuming. In the process of deciding what will go and what will stay, however, a money manager gains a better understanding of her values and priorities, and builds a sense of commitment to follow the guidelines she establishes.

Due to serious time limitations, we knew we would not be able to work with each participant until she developed a balanced plan. Our intent,

therefore, was to provide at least the ingredients that would enable them to do so on their own: a general philosophy, specific techniques and procedures to guide their efforts, and an opportunity to practice adjusting at least several original estimates.

We believed it important to round out this "technical" segment of the program by re-introducing the topic of options since the identification of alternative methods for cutting expenses is particularly valuable in solving the problem of balancing a budget. To stimulate participants' creativity in generating ideas as to the many ways they might achieve their goals less expensively, we proposed four general strategies: substitution, comparison shopping, cutting back, and eliminating.

To demonstrate how these strategies worked, participants were asked to come up with specific examples of how costs might be cut in each general expense category using each strategy. A consideration of substitution, for example, prompted the suggestion that those who worked could cut food costs by bringing their lunch instead of eating out. One participant estimated that with this substitution she could save roughly $10 a week or $500 a year.

Cutting back -- consuming less goods and less services -- calls for an examination of our activities in an effort to spot where we may be able to achieve savings by modifying our current habits. Cutting back on the length of our phone calls or on the number of phone calls we make, for example, will be reflected in reduced phone bills. At the same time, we can also look for expenses that might be eliminated altogether. When using Cutting Back and Eliminating strategies, no expense item is too small to escape the note of a determined money manager. An Expense Diary serves an important function here too. It may reveal, for example, that $100 a year is being spent on subscriptions to magazines that are rarely read. If so, magazine subscriptions may be an expense that can be eliminated with little pain and significant savings.

Our intent in including this activity was to get participants thinking about the cost cuts that could be effected in every expense area, to demonstrate that even seemingly small savings add up to significant amounts over time, and to encourage participants to think in concrete terms about

how, by doing things differently, they might meet their needs less expensively.

CONTENT AREA C: CHOOSING CHECKING AND SAVINGS PLANS.

The third content area of MONEY MANAGEMENT FOR WOMEN focused on the consumer's relationship with financial institutions. Our specific goals in this area were to demonstrate the differences between standard checking and savngs plan options, and the potential value of comparison shopping for such services. Materials and activities were developed: (a) to encourage participants to examine how they most commonly carried out their financial transactions -- by cash, a cash equivalent (money order, cashier or teller's check), and/or personal check -- and to compare how these methods differed in terms of cost, convenience, safety, and ease of recordkeeping; and (b) to enable them to identify the differences among standard types of checking and savings plans and how the same type of plan may differ in cost and benefits from institution to institution.

Checking Plans.

A commonly held assumption is that a checking account is a checking account is a checking account. Participants were led to question this by considering that choosing a checking plan actually involved two decisions: first, which type of plan best meets their needs; and second, which bank packages that plan most attractively.

Benefits and limitations of three types of checking plans were compared -- regular or balance checking, special or economy checking, and the newest N.O.W. checking. Emphasis was given to minimum balance requirements, service charges and penalties, supplementary services, and, in the case of N.O.W. account plans, interest payments.

To demonstrate that an account is often packaged differently by different banks, participants with the same type of account at different banks were asked to describe how their bank serviced their checking plan. This proved a particularly effective way of illustrating the range of possible

differences. One group, for example, was surprised to learn that while one member's special checking account was subject to a monthly service charge, and another's carried both a monthly service and a per-check charge, a third member's account, at yet another bank, was totally cost-free.

Although convenience and availability of other customer services are apt to be factors that weigh most heavily in an individual's choice of a bank, a careful money manager will also consider the factor of cost and recognize that comparison shopping is as helpful an expense-cutting strategy in deciding where to obtain financial services as in deciding where to buy a winter coat.

Before moving on to a similar examination of savings plans, participants reviewed the procedures for endorsing checks, writing checks, and balancing a checkbook.

Savings Plans.

Given the program's time constraints, participants' interest in preserving and hopefully increasing their financial assets, and the popular confusion about savings plans, we reasoned that here again (as with checking) our focus would be on savings options and the key factors to consider in selecting a plan and a financial institution.

Seven savings options for small savers were covered: Day-to-Day accounts, Certificate or Time accounts, Club accounts, Individual Pension or Retirement plans (IRA and KEOGH), Company Thrift or Pension Plans, U.S. Savings Bonds-Series EE, and money market funds. Our intent in providing this survey was to insure that participants not only were aware of these options but of their potential advantages and disadvantages as well.

Five factors were discussed as keys to selecting the type of plan and the financial institution package that might best meet a participant's needs:

- interest rate -- as expressed in terms of Effective Annual Yield
- frequency of interest compounding
- degree of liquidity -- the terms and conditions under which funds can be withdrawn
- minimum amount of initial deposit and required size and timing of subsequent deposits

- supplementary services and/or privileges available to account holders.

CONTENT AREA D: MANAGING CREDIT

The content for the session devoted to credit management was developed to increase participant awareness of the value of managing credit as carefully as they managed their time and money; to examine how an individual established and maintained credit-worthiness; and to provide an overview of the types of credit arrangements and their potential costs.

Participants first considered what they felt was the primary advantage of credit. Their answers echoed those of the experts. As participants saw it, credit's chief advantage was that it enabled them to obtain goods and services before accumulating the cash needed to buy them and, therefore, to enjoy their purchases as they were being paid for. Further, the ability to buy now and pay later in emergencies and in purchasing needed items when they were on sale was seen as particularly helpful. On the negative side, participants felt the primary disadvantage of credit was that it afforded an easy opportunity to overbuy and thereby to accumulate repayment obligations which, by tieing up future income, meant less money wold be left over to cover normal, on-going living expenses.

To establish a context within which the different types of consumer credit arrangements might be usefully examined, we suggested that for all practical purposes the world of credit could be divided into two parts: open-end arrangements, and closed-end arrangements.

Among the types of open-end or "revolving" credit arrangements (those is which credit can be used again and again up to a prearranged borrowing limit) discussed were the store charge account, single- and multi-purpose charge cards, travel-and-entertainment cards, and line of credit or overdraft checking privileges.

In examining these familiar credit arrangements, stress was given to the point that depending on how it is managed, open-end credit can be either a cost-free or a cost-ly convenience. Four factors that contribute to the cost of using credit were identified:

- when bills were paid
- percentage of the total balance paid
- rate of interest charged on unpaid balances
- method used to calculate finance charges

Most participants recognized that late and/or partial payments would result in additional charges being added to their bill; a number knew what rate of interest they paid on carryover balances; but few were aware that different creditors might use different methods of calculating the monthly finance charge -- and that depending on the method used, the finance charge could vary by as much as 300 percent. A handout describing three commonly used methods --adjusted balance, previous balance, and average daily balance -- was used to illustrate this point. All creditors, by law, must state the method they use to calculate finance charges. An informed consumer, in her role as money manager, will make it a point to consider this factor carefully before signing a credit agreement or using a credit account.

Unlike open-end credit, closed-end credit arrangements (i.e., installment plans and loans) require that a specific sum be paid back regularly according to a prearranged schedule and <u>always include the payment of interest</u>.

After reviewing the general characteristics of installment plans and of various types of loans (e.g., passbook loans, life insurance loans, bank credit-card loans, and unsecured personal loans) conversation shifted to how comparison shopping might minimize the cost of closed-end credit.

Thanks to Federal law, which requires creditors to state credit costs in terms of the Finance Charge and the Annual (or Effective) Percentage Rate (APR), consumers willing to do their homework are able to identify the best credit deal by comparing the cost of credit from various sources. Like checking and savings plans, there are apt to be significant differences in the price of a loan depending on where it is obtained and how it is packaged. Sample problems were used to demonstrate how a comparison of various finance charges and Annual Percentage Rates could help consumers decide which loan offer met their needs best.

Participants examined such common loan sources as commercial banks, thrift institutions, credit unions, finance companies, life insurance companies, pawnbrokers, and--with a strong cautionary note--loan sharks, focusing on the types of loan typically available, the level of interest charged, credit eligibility standards, and potential drawbacks.

The final topic--establishing and maintaining a credit rating--included the role of credit bureaus in compiling and providing lenders with non-evaluative credit reports; the factors creditors commonly weigh in determining an individual's credit-worthiness (e.g., capability, or ability to repay debt; character; and collateral) as well as the factors that cannot legally enter into this decision (e.g., race, sex, age, marital status, public assistance); and, finally, how to establish a good credit record and maintain it by careful debt management.

* * *

The sequence in which the topics covered by the five content areas were introduced is illustrated by the workshop program outline in Appendix B. A more detailed overview can be obtained by examining the session-by-session Leader's Guides in Appendix D which, in addition to showing the exact sequence, time allotted, and materials used, also indicate the specific techniques that the leader employed: group discussion, role-playing, leader presentations, simulation exercises, and pencil-and-paper problems.

In all, MONEY MANAGEMENT FOR WOMEN is an amalgam of ideas, subjects, issues, and concepts drawn from a wide variety of published materials, including primers in personal financial planning (e.g., Sylvia Porter's Money Book, Sylvia Porter's New Money Book for the '80s, Jane Bryant Quinn's Everyone's Money Book, H & R Block's Family Financial Planning Workbook, financial articles from The New York Times, Business Week, and Money, as well as booklets and reports published by the Federal Trade Commision, the American Council on Life Insurance, the U.S. Government Printing Office, the Cooperative Extension Service, the National

Foundation for Consumer Credit, and the Household Finance Corporation, among others. Of the publications analyzed during the project's curriculum development phase, roughly one half were identified with the assistance of bibliographic printouts provided by CERN.

IV. PROGRAM IMPLEMENTATION

The implementation of MONEY MANAGEMENT FOR WOMEN consisted of two distinct, overlapping stages. The first stage--leader training--began the week of April 6th and ended the week of May 25th. The second stage -- conduct of participants' workshops -- began the week of April 20th and concluded the week of July 6th; one additional workshop series was conducted in the Fall 1981, and will not be treated here.

LEADER TRAINING

The project's leader-training component consisted of a series of eight three-hour meetings held on consecutive Tuesdays from 9:00 a.m. to 12:00 noon at CASE's offices. As expected, the women chosen to conduct their organizations' workshop programs had had little or no experience in leading groups. The training component therefore was designed so that the first two meetings could be used exclusively to orient these women to the program and to their role as a workshop leader.

Led by a staff trainer, the first two training meetings concentrated on the program's purposes, philosophy, and structure; the administrative details involved in setting up their workshop series; on group dynamics; and on program materials and supplies. All subsequent meetings (three through eight) provided leaders with a structured walk-through of one complete workshop session (with meeting three focused entirely on the content of workshop session #1, meeting four on the content of workshop session #2, and so on). This strategy had the advantage of enabling leaders to experience the session as their workshop participants would, and at the same time, by observing the staff trainer, to see the mechanics involved in conducting it.

Like the women who would participate in their workshops, leaders were led through a substantial amount of new information at each meeting. However, unlike the actual workshop participants, at the beginning of each meeting the leaders were given a session guide--a virtually complete script of what was done when during the session, as well as indications of how and why. Leaders, therefore, not only directly experienced how the staff trainer ran each session -- but were also able, with script in hand, to question and comment on content and presentation and, in this way, to fine tune each session before they delivered it to their own workshop groups.

A week before the first leader-training meeting, Lenox Hill Neighborhood Association informed us that they would be unable to participate as planned due to staff overcommitment. The timing of this notice did not allow us sufficient time to recruit and mobilize another organization, and thus reduced the number of participating organizations from seven to six, and our leader group to nine. (Three of the cooperating organizations were able to release only one staff member to run their MMW workshop.) After the second training meeting, the primary leader from University Settlement was hospitalized, leaving eight women to complete the leadership training component.

PARTICIPANT WORKSHOPS

The context or setting in which an educational program is conducted can either contribute to or detract from its effectiveness. To insure that despite variations in physical settings and leaders' styles women would find participation in the program as beneficial an experience as possible, we chose to deliver MMW as a peer-group workshop. The choice of this format, with its strong emphasis on women teaching women and on mutual support, was appealing for several reasons: it expanded the program's resources -- for participants would contribute as well as receive; this approach is rooted in a positive learning model that builds on the strengths of the learners and induces active learning; and it's more fun for the participants.

Each of the five organizations which implemented the program in the Spring scheduled their workshop series to begin late in April, immediately

following the third leader-training meeting.[1] This was done intentionally so that leaders would have each session's material fresh in their minds.

Four organizations held workshop sessions once a week (three on weekday evenings, one on Saturday mornings) for six consecutive weeks, thereby completing the series by the end of May. The exception, the Day Care Council, held sessions once every two weks and completed the program in mid-July.

At our suggestion, enrollment in each workshop series was limited to 20 women to allow opportunity for active participation by each individual. There were, in total, 80 regular attenders, not including those participants who attended fewer than half the sessions. Interestingly, program attendance seemed to reflect the enthusiasm of the leadership and in three cases the full complement of 20 women showed up regularly.

V. PROGRAM IMPACT

This section of the report deals with the effects of MONEY MANAGEMENT FOR WOMEN on the two groups involved in its implementation: the cooperating community organizations and the leaders and other women who participated in the pilot workshop demonstration cycle.

COOPERATING ORGANIZATIONS

Five of the six community organizations that took part in the MMW project now have both the material and the in-house expertise that will enable them to add MMW to their program offerings on a regular basis. (The

[1] University Settlement did not participate in this cycle of workshop demonstrations. Although various substitutes attended the training meetings and received all the program materials, the settlement house asked to postpone their workshop series until the original leader returned to work in late Fall.

Day Care Council has the sets of materials but lost their trained leaders due to forced staff cutbacks at the start of the year). Given the funding problems these and other social service organizations now face, it is significant that four of them are committed to conducting another cycle of the workshop series this fiscal year (1982).

The staff members trained under the project to lead the workshop program not only upgraded their career skills as a result of the leadership training they received and the subject matter expertise they gained but also, as a by-project of their experience, acquired a new level of confidence in their ability to direct special projects and to work with small groups. They also improved their own money management skills. All rated their training as "Very Good" to "Excellent" and, as importantly, felt, as one woman admitted with pleased surprise, that the participants "would rate me very highly as a trainer."

WORKSHOP PARTICIPANTS

It was beyond the scope and resources of this project to develop the quantifiable measures or conduct the type of evaluation that would assess whether the women who attended the program are now managing their money more successfully and if so, in what specific ways. However, analysis of the observations of project staff members who monitored a total of 15 on-site workshop sessions and the written evaluations workshop leaders submitted after each session and at the conclusion of the program, indicates that MMW did make a positive difference in the lives of workshop participants. For example, participants, most of them for the first time in their lives...

- learned that there is a definite sequence of steps they can take if they want to gain control over their financial lives. Most were willing, indeed anxious, to exercise this responsibility.
- realized the difference between taking a passive and an active role in regard to their money. By the program's end, all participants had taken at least the first steps toward financial accountability.
- identified some of their financial goals and recognized this as a

concrete first step toward reaching them. For many women, the frank acknowledgement of what was important to them represented real growth.

- recognized that they possessed many valuable skills and that many of these could be used instead of money to obtain certain goods or services they needed. Within groups, several participants planned informal bartering arrangements.
- figured out and wrote down on paper the amount (estimated) of their annual net income -- and as a result were shocked to realize that net salary was much less than gross salary and simultaneously depressed at what a year's income would add up to, but relieved to finally have this figure known. As a result, many women started to plan to upgrade their marketable skills so as to be in a better position to increase their income and achieve greater financial independence.
- learned a technique for breaking down what seemed an amorphous and unknowable mass of expenses into categories that made it easier to see exactly where they were spending their money. Learning the language of finances was, in and of itself, helpful.
- committed to paper estimates of all their expenses for a year, and saw what proportion of a year's income would be spent on fixed and semi-fixed (essential) expenses, and what smaller proportion would be left for day-to-day expenses. In doing this, participants overcome some of their fear of figures as well as their fear of money.
- came up with dozens of specific ideas about how they might reduce their expenses in almost every category by using just four general strategies. Surprising themselves, participants demonstrated a willingness to accommodate their expenditures to fit their circumstances.
- clarified for themselves which things were and were not important enough to them to warrant their expense. Almost all participants learned how values influence their expenditures, especially when the values were unstated.

- kept a running record of all their expenses for at least a month and were amazed to find they had not really known how they spent their money. Almost without exception, participants indicated that they would continue this practice.
- developed and balanced their own one-year budget (what we instead called a money management plan to avoid the negative associations of "budgeting"). Most of the mystique of budgeting was dissipated. orecognized how often convenience rather than cost dictated their choices when it meant being able to avoid dealing with math. It was evident that many would apply this new knowledge to their very next purchase of note.
- felt more confident of their ability to handle math and gained a greater awareness of how much math is part of everyday life. This was illustrated in participants' attempts to compute interest and discount rates.
- learned how to shop for a financial institution; how to endorse checks the safest ways; how to write a check for less than $1.00. New check-writing behavior was evident as were some changes from one to another financial institution and/or type of account.
- came to understand how credit-worthiness is measured or determined. Several took steps to establish a credit profile; others began to work toward correcting a blemished one.
- were surprised that not all creditors compute revolving credit account-finance changes in the same way and the effect the method they use has on the amount they charge. One of the outcomes was a change in credit account use.
- discovered that there are a number of savings/investment opportunities available to them, including IRA accounts and money market funds. Several of the participants intend to investigate these further.

In addition to the insights participants gained about themselves, the specific information they acquired and the techniques and methods they

learned and practiced, project staff and the workshop leaders in particular observed an almost visible growth in participants' confidence and positive feelings about themselves as the workshop series progressed. This might be attributable not only to MMW's content and structure which we had hoped and intended would give participants a sturdy handle on what many women perceive as a hopelessly complex and slippery subject, but also to it's peer-group format which provided the opportunity and impetus for the large amount of discussion and the fruitful exchange of information and ideas that occurred.

Another worthy indicator of program impact is the degree of interest the program generated among participants as expressed in the high level of group participation and enthusiasm which kept many workshop sessions running beyond the scheduled two hours. In fact, leaders of the largest (i.e., full capacity) groups felt that they would limit future groups to a maximum of 15 rather than 20 so there would be more time for each member to talk; and would schedule longer sessions or more sessions to accommodate participants' desires for more in-depth detailed discussions of program topics. This level of interest confirmed our original assumption that a longer program would be well received -- and did much to illustrate for agency administrators that women's interest in money management was stronger than they had expected.

Finally, a word from the participants themselves. When asked, the nearly unanimous reply was that they would do it all again and would unequivocably recommend the program to a friend.

VI. CONCLUSIONS AND RECOMMENDATIONS

Every project funded once and for a short duraction must leave a residue of frustration for its developers who, having acquired an appreciation of the program's possibilities and a clearer understanding of the potential problems and how they might be circumvented, are not able to fine-tune the

program under operating conditions. At least it is true for those of us who designed and implemented MONEY MANAGEMENT FOR WOMEN. Yet, while we cannot implement the program again, four of the organizations who participated in the pilot project can and will. In the hope that others will undertake this or a similar program for a similar population of women, we have appended to this report the program syllabus and participant materials which have been revised in light of our experience in the five pilot workshops given this year. In addition, we offer the following general recommendations for those who may want to adopt and adapt the program.

- Workshop staffing. While two leaders enhance an organizations' capacity to run the program, one workshop leader and one assistant to help with the workshop's administrative and operational tasks is adequate. This division of responsibility naturally evolved even in groups with two trained co-leaders.

- Role of Workshop Leader. Any group organized to accomplish specific goals needs a leader. With peer-groups, however, the term "facilitator" more aptly describes her function. While the MONEY MANAGEMENT FOR WOMEN workshop leader need not be financial planning expert in order to convey the program material, she should, by experience or training or instinct, be able to facilitate learning through group interaction and involvement--knowing how to keep conversation on track, when to summarize what has been covered, when and how to make the transition to the next topic.

- Math segment. This component constitutes a very important part of the MMW program. It adds novelty,, offers a change of pace, is effective in illustrating how large a role math plays in everyday life, and participants are very enthusiastic about it. This component not only introduces the workshop's only guest but may require the most preparation. Under no circumstances should a workshop leader undertake to conduct this program segment by herself. It should be led by a practicing math teacher from a local junior high school, high school, or college. In a pinch, an elementary school teacher might serve, if s/he actually enjoys math, is well versed in the subject, and comfortable in teaching by example rather than by the textbook.

The Mathematics Anxiety Rating Scale (MARS) we used as homework to prepare participants for this segment could be eliminated entirely or, better, replaced by a set of homemade questions framed to help participants recognize that they often overlook the economic implications of their decisions because considering them means having to do some math.

- Participant materials. Each participant worksheet that appears in Appendix E includes both the instructions needed to complete the exercise and enough narrative to explain what the exercise has to do with money management. This was done purposely to prolong the usefulness of the materials beyond the program. Despite their stand-alone capabilities, we recommend that when they are introduced during the workshop, the group leader (or someone she appoints) read each worksheet aloud before it is used. This will insure that potential misunderstandings of terms or instructions can be ironed out before participants begin work on the exercise.

A second recommendation regarding program materials is that the 34 worksheets and factsheets provided be supplemented by as many other relevant materials as possible. Sources for free or low-cost materials would include financial institutions, offices or departments of consumer affairs, public utilities, and magazines and newspapers (for financial articles).

- Program length. We strongly recommend that MMW be expanded to at least 18 hours. As it operated this year, MMW was a very tight 12-hour program. A great deal of ground was covered within a short period of time. That we were successful in accomplishing this feat is largely due to the high level of participant involvement--through discussion and carefully focused activities which translated theory into concrete applications--and the logically sound sequencing of topics. Even so, every group leader felt that participants wanted and would have benefited from having more time in which to explore ideas and to practice techniques. It was concern on the part of our cooperating institutions that this commitment might not be forthcoming that led us to compress what we originally conceived as a 24-hour program into 12 hours. As it turned out, however, once the program began, participants invariably found there was far more they wanted to discuss and explore than time allowed.

As long as the sequence of topics is kept intact, the program could be lengthened by increasing each session to three hours, or expanding the program to seven or eight sessions.

- Program Topics. MONEY MANAGEMENT FOR WOMEN consists of six modules or sessions, each laying the foundation for the next. Within each session topics are introduced in a sequence carefully planned to achieve a logical flow from subject to subject and, most important, to illustrate the web of inter-relationships that bind discrete topics into a sensible and coherent whole. To map out both the fundamental topics and concepts of money management and their relationships within the time allowed, it was necessary to omit several topics that participants expressed an interest in and a desire to know more about. If the program can be expanded, we would recommend including insurance and money management fundamentals for children. These topics could logically relate to and could conclude the already existing program content.

APPENDIX A

Orientation/Planning Meeting Agenda

The Graduate School and University Center
of the City University of New York

Center for Advanced Study in Education
Institute for Research and Development in Occupational Education
Graduate Center: 33 West 42 Street, New York, N.Y. 10036
(212) 221-3517; 3519

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

Orientation/Planning Meeting for
Community Organization Representatives

January 21, 1981

AGENDA

INTRODUCTIONS

PROJECT GOALS: Intended Outcomes and Benefits

PROJECT STRUCTURE AND ORGANIZATION

- Definition of leader training component; mutual roles and responsibilities
- Definition of participant workshop component; mutual roles and responsibilities

DEFINITION OF THE TARGET AUDIENCE

REVIEW OF PROPOSED TOPIC OUTLINE FOR WORKSHOP COMPONENT

NEXT STEPS

- Selection of staff to lead workshop
- Training program schedule and start date
- Audience needs/interest survey

APPENDIX B

Workshop Session Outline

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

A consumer-education program developed by
the Center for Advanced Study in Education
Graduate School and University Center
City University of New York

WORKSHOP SESSION OUTLINE

Session #1 WOMEN AND MONEY

- How women feel about money and why
- What is money anyway?
- What a money manager does and why

Session #2 MY PERSONAL MONEY MANAGEMENT PLAN

- Step One: What do I want? -- determing our financial goals and priorities
- Step Two: What do I have to work with? -- estimating our annual income

Session #3 MONEY MANAGEMENT AND MATH

- Step Three: Estimating our fixed and semi-fixed expenses
- Practicing the kinds of arithmetic that makes managing our money easier

Session #4 PUTTING THE PLAN TOGETHER AND MAKING IT WORK

- Step Four: Estimating our discretionary (day-to-day) expenses
- Step Five: Balancing our money management plan
- Strategies for cutting expenses

Session #5 CHECKING AND SAVINGS PLANS

- Shopping for a checking account; "how-tos" of writing and endorsing checks and balancing a checkbook
- Shopping for a savings account

Session #6 MANAGING CREDIT

- Credit: what is it?
- Shopping for a loan
- Establishing and maintaining a credit rating
- Do's and Don't of credit

APPENDIX C

Interest/Needs Questionnaire
and
Responses to Selected Questions

Center for Advanced Study in Education/IRDOE
Graduate School and University Center, City University of New York

MONEY MANAGEMENT FOR WOMEN: There Has to be Another Way

To improve our program about Money Management for Women, we need to know what opinions and feelings women like yourself have about money and how to manage it, and about some other topics such as work and family. We would like you to answer the following questions, keeping in mind that your answers are confidential (we don't want your name), but that they will be very helpful in making our program more useful and exciting.

Try to be as honest in your opinion as possible. There are no right or wrong answers. Although we would like you to answer all the questions, feel free not to.

Thanks for your help. If when you finish you'd like to know more about this program, ask the person who gave you this questionnaire.

YOUR BACKGROUND

1. Please check how much schooling you have had:

- ☐ 8 years or less
- ☐ some high school
- ☐ high school diploma or equivalent
- ☐ some college
- ☐ college degree or more
- ☐ other training; please describe: _____

2. Not counting yourself, how many other adults (over age 18) are there in your household?_____ Of these, how many work?_____ How many go to school?_____

3. How many children (under age 18) are there in your household?_____Of these, how many go to school?_____ How many work?_____

4. Including yourself, how many people in your household contribute money to the family's support?_____

5. What is your total household income, adding all sources of money together?

- ☐ less than $5,000 a year, or about $100 a week
- ☐ $5,000 and $10,400 a year ($100 to $200 a week)
- ☐ between $10,400 and $15,600 a year ($200 to $300 a week)
- ☐ between $15,600 and $20,800 a year ($300 to $400 a week)
- ☐ more than $20,800 a year (more than $400 a week)

6. Are you now working? ☐ Yes ☐ No; if no, are you looking for a job? ☐ Yes ☐ No

7. At the present time, are you: ☐ Married? ☐ Divorced/separated? ☐ Widowed? ☐ Single? ☐ Living with someone?

8. How old are you?

- ☐ Less than 20 years old
- ☐ between 20 and 24
- ☐ between 25 and 29
- ☐ between 30 and 34
- ☐ between 35 and 39
- ☐ between 40 and 44
- ☐ between 45 and 49
- ☐ 50 years old or older

9. What is your racial/ethnic background?

☐ Black ☐ White ☐ Hispanic ☐ Oriental ☐ Other; describe:_____

YOUR OPINIONS

On this page and the next are a series of statements. We would like you to read each one, and decide whether you agree or disagree and how strongly you feel. To indicate your opinion,

CIRCLE (1) if you DISAGREE STRONGLY
CIRCLE (2) if you DISAGREE SOMEWHAT
CIRCLE (3) if you AGREE SOMEWHAT
CIRCLE (4) if you AGREE STRONGLY

Even the experts don't agree about the wisest ways to spend money. 1 2 3 4

When there is very little money, people have no choices about how to spend it. . . . 1 2 3 4

Men are better in math than women are. 1 2 3 4

Food is usually a family's single biggest expense. 1 2 3 4

Managing your money is a skill that can be learned 1 2 3 4

The best way to save is from any money left over after the bills are paid. 1 2 3 4

You can cut what you spend without always giving up all you want 1 2 3 4

A woman who works is not as good a mother as one who stays home. 1 2 3 4

People waste money without realizing it. 1 2 3 4

Children should get an allowance 1 2 3 4

Most people don't use math after they leave school 1 2 3 4

The richer you are, the more important financial planning is 1 2 3 4

It doesn't make sense to plan ahead because things just don't work out that way. . . 1 2 3 4

Most couples would feel uncomfortable if the woman managed the money. 1 2 3 4

To spend wisely, it helps to understand what you want and what you need 1 2 3 4

In a family where only one person earns money, that person should have the most to say about how the money is spent. 1 2 3 4

If you knew more math you would be able to comparison shop better. 1 2 3 4

The worst thing about being poor is not having any of the things you want. 1 2 3 4

Some people have a "math mind" and some don't. 1 2 3 4

You can cut down on luxuries, but there is no way to cut down on things you need . . 1 2 3 4

Borrowing money is a bad thing to do. 1 2 3 4

Men and woman should be paid the same amount for doing the same kind of work. . . . 1 2 3 4

One thing wrong with savings accounts is sometimes you lose interest if you take out your money at the wrong time. 1 2 3 4

Math requires a good memory. 1 2 3 4

Only the rich can afford to save money 1 2 3 4

How much a product costs depends on when and where you buy it 1 2 3 4

	AGREE STRONGLY	AGREE SOMEWHAT	DISAGREE SOMEWHAT	DISAGREE STRONGLY
	1	2	3	4
It's more important for boys than for girls to do well in math.	1	2	3	4
Only rich people waste money	1	2	3	4
I very often feel that I have no control over my money.	1	2	3	4
If both parents work and their child is sick, the mother not the father should stay home that day.	1	2	3	4
It's o.k. for different people to spend their money in different ways.	1	2	3	4
To double a recipe means knowing how to add or to multiply.	1	2	3	4
A parent should not talk to young children about money.	1	2	3	4
If people have very little money, they should buy only what they need	1	2	3	4
Men find it easier to talk about money than women do	1	2	3	4
You have to figure out percentages to know which bank offers the best deal in checking accounts	1	2	3	4
Life is really a matter of luck	1	2	3	4
It's impossible for people with very little money to save any money	1	2	3	4
Buying on an installment plan is good because if you don't like the product you just stop paying for it	1	2	3	4
People can get cheated if they don't know how to figure out the sales tax.	1	2	3	4
Some people seem to have a knack for making money go further.	1	2	3	4
Brand names add to the cost of an item.	1	2	3	4
I don't always figure out the best buy because I don't want to bother doing the math it requires.	1	2	3	4
The advice of sales people should be weighed carefully	1	2	3	4
Math can be helpful if you want to make window curtains.	1	2	3	4
The way a person spends her money can tell a lot about her goals in life.	1	2	3	4
In figuring out what you earn at work, it makes sense to add in what your boss pays for your hospitalization and other fringe benefits.	1	2	3	4
Although we all do it, it's not a good idea to buy on credit.	1	2	3	4
There is some truth in the statement that "you get what you pay for".	1	2	3	4
Most women work outside the home to earn money.	1	2	3	4
Even if they end up with the same amount of money, most people would rather work at any job than be supported by the government.	1	2	3	4
Most adults would feel funny admitting they don't know how to write a check.	1	2	3	4

Below are some topics we are thinking about including in our program. We need to know how much you already know about them, and whether you are interested in learning more. What we'd like is:

FIRST, to find out what you know. Read through the topics and check ✓whether you now think you know A LOT, SOME, or VERY LITTLE about each one. Use the columns on the LEFT.

SECOND, go through the list again, and for each topic tell us whether you would like to know more. Use the columns at the RIGHT. A check ✓in the NO column means you are not interested in the topic. A check ✓in the YES column means you would like more information.

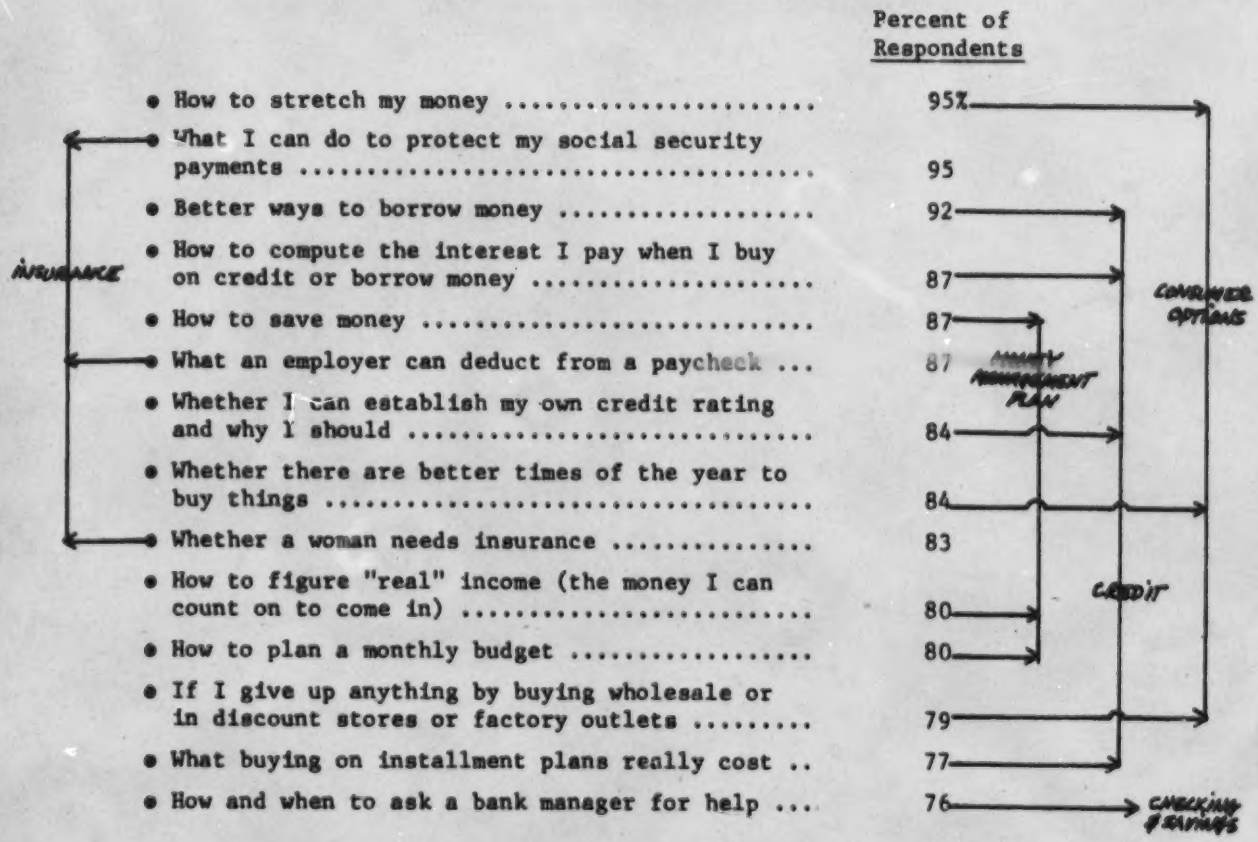
I KNOW...			TOPICS	I'D LIKE MORE...	
A LOT	SOME	VERY LITTLE		NO	YES
			how to figure "real" income (the money I can count on to come in)		
			how to plan a monthly budget		
			how to figure out what I must pay out each month		
			why saving money is important		
			how to go about saving money		
			what buying on installment plans really cost		
			how to compute the interest I pay when I buy on credit or borrow money		
			the differences among types of checking accounts		
			if it pays for me to use checks or money orders		
			how to open a checking account		
			if it pays to buy or to rent things I don't use very often		
			how to compare house brands, name brands, and no-name products		
			when buying in bulk is wise		
			how a shopping list can save money		
			if I give up anything by buying wholesale or in discount stores or factory outlets		
			if there are better times of the year to buy things		
			if I need my ex-husband's social security number		
			what an employer can deduct from a pay check		
			how to balance a checkbook		
			whether a woman in my position needs insurance		
			what a passbook loan is		
			what happens if I don't stick to my budget		
			what I can do to protect my social security payments		
			how to stretch my money		
			why a woman should keep a copy of her divorce agreement		
			if it's illegal to stop payment on a check		
			how and when to ask a bank manager for help		
			what are the better ways to borrow money		
			if I can establish my own credit and why I should		
			what depositing by mail really means		

NEEDS ASSESSMENT

The last page of the questionnaire asked respondents to indicate which of 30 topics they would like to know more about. The following table lists the 14 in which 75 percent or more of the respondents expressed an interest. The brackets to the right show the broad program areas under which discussion of these specific topics were subsumed. The bracket to the left indicates topics that would have been covered, along with others, in a session on "Insuring Your Future" if the program could have been designed as originally intended.

TABLE A

Topics of Most Interest


Percent of Respondents
• How to stretch my money 95%
• What I can do to protect my social security payments 95
• Better ways to borrow money 92
• How to compute the interest I pay when I buy on credit or borrow money 87
• How to save money 87
• What an employer can deduct from a paycheck ... 87
• Whether I can establish my own credit rating and why I should 84
• Whether there are better times of the year to buy things 84
• Whether a woman needs insurance 83
• How to figure "real" income (the money I can count on to come in) 80
• How to plan a monthly budget 80
• If I give up anything by buying wholesale or in discount stores or factory outlets 79
• What buying on installment plans really cost .. 77
• How and when to ask a bank manager for help 76
INSURANCE
CONSUMER OPTIONS
MONEY MANAGEMENT PLAN
CREDIT
CHECKING & SAVINGS

RESPONDENTS' OPINIONS

On pages two and three of the questionnaire respondents were asked to indicate how strongly they agreed or disagreed with each of the 52 statements. Table B below and on page C-7 lists these statements in descending order based on the mean score. The following scale was used:

1 = Disagree Strongly
2 = Disagree Somewhat
3 = Agree Somewhat
4 = Agree Strongly

TABLE B

Respondents' Mean Ratings of 52 Statements

	Mean Score
• Men and women should be paid the same amount for doing the same kind of work	3.95
• Managing your money is a skill that can be learned	3.76
• To spend wisely, it helps to understand what you want and what you need	3.73
• How much a product costs depends on when and where you buy it	3.60
• It's alright for different people to spend their money in different ways	3.55
• Brand names add to the cost of an item	3.48
• Math can be helpful if you want to make window curtains	3.48
• People waste money without realizing it	3.48
• Most couples would feel uncomfortable if the woman managed the money	3.42
• Some people have a knack for making money go further	3.34
• To double a recipe means knowing how to add or to multiply	3.33
• Children should get an allowance	3.32
• You can cut what you spend without always giving up everything you want	3.21
• Most women work outside the home to earn money	3.20
• The advice of sales people should be weighed carefully	3.17
• Borrowing money is a bad thing to do	3.16
• In figuring out what you earn at work, it makes sense to add in what your employer pays for your hospitalization insurance and other fringe benefits	3.16
• The thing wrong with savings accounts is that sometimes you lose interest if you take out your money at the wrong time	3.11
• Even the experts don't agree about the wisest ways to spend money	3.09
• There is some truth in the statement that "you get what you pay for."	3.09
• People can get cheated if they don't know how to figure out the sales tax	3.00

	Mean Score
• The way a person spends her money can tell a lot about her goals in life	2.97
• Even if they end up with the same amount of money, most people would rather work at any job than be supported by the government	2.90
• If people have very little money, they should buy only what they need	2.81
• Some people have a "math mind" and some don't	2.79
• You have to figure out percentages to know which bank offers the best deal in checking accounts	2.76
• Most adults would feel funny admitting they don't know how to write a check	2.76
• Although we all do it, it's not a good idea to buy on credit	2.74
• You can cut down on luxuries, but there is no way to cut down on things you need	2.65
• When there is very little money, people have no choice about how to spend it	2.60
• I very often feel that I have no control over my money	2.57
• The best way to save is from any money left over after the bills are paid	2.46
• It's impossible for people with very little money to save any money	2.41
• Food is usually a family's single biggest expense	2.39
• The richer you are, the more important financial planning is	2.34
• If you knew more math you would be able to comparison shop better	2.28
• Math requires a good memory	2.27
• I don't always figure out the best buy because I don't want to bother doing the math it requires	2.18
• In a family where only one person earns money, that person should have the most to say about how the money is spent	2.11
• The worst thing about being poor is not having any of the things you want	2.07
• Men find it easier to talk about money than women do	1.97
• Only the rich can afford to save money	1.90
• If both parent work and their child is sick, the mother not the father should stay home that day	1.80
• Life is really a matter of luck	1.79
• Most people don't use math after they leave school	1.72
• It doesn't make sense to plan ahead because things just don't work out that way	1.69
• Men are better in math than women are	1.45
• A woman who works is not as good a mother as one who stays home	1.41
• Buying on an installment plan is good because if you don't like the product you just stop paying for it	1.26
• A parent should not talk to young children about money	1.23
• Only rich people waste money	1.18
• It's more important for boys than for girls to do well in math	1.11

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

APPENDIX D

SYLLABUS

SESSION #1: WOMEN AND MONEY.....1

SESSION #2: MY PERSONAL MONEY MANAGEMENT PLAN...5

SESSION #3: MONEY AND MATH.....8

SESSION #4: PUTTING THE PLAN TOGETHER AND MAKING IT WORK.....11

SESSION #5: CHECKING AND SAVINGS PLANS.....14

SESSION #6: MANAGING CREDIT.....17

SESSION #1: WOMEN AND MONEY

Leader's Guide

This first session in the MONEY MANAGEMENT FOR WOMEN workshop program focuses on participants' feelings about money and on a number of the attitudes and myths about money that women share which often prevent them from exercising greater control over their personal financial affairs. Participants are encouraged to recognize that they are, in fact, already money managers, but that by viewing money as simply another personal resource, by adopting a more systematic approach and some of the techniques used by professional money managers, they might become even more skillful ones.

Supporting Materials

- Newsprint sheets, tape, and crayons (or blackboard, chalk & eraser)
- Name tags for participants and Leader
- Participant Roster
- Attendance Sheet for Session #1
- a $20 bill
- Pencils (one for each participant)
- Folders labeled with participants' names and containing one copy each of the following:

  -The Introductory Letter from your agency
  -Workshop Session Outline #1.1
  -Feeling Good, Worksheet #1.2

- To be distributed during the session (one for each participant, except as noted)

  -Bartering, Worksheet #1.3
  -What a Money Manager Does, Factsheet #1.4
  -Consumer Choices: Exploring Options, Factsheet #1.5
  -Expense Diaries (small notebooks)
  -The Lottery, homework Worksheet #1.6

Components — Length

A. WELCOME ..... 10 minutes

The purpose of this component is to provide participants with an overview of the workshop and to welcome them to the program.

Activities

- Introduce yourself (Leader) and any other agency personnel present and welcome participants to the MONEY MANAGEMENT FOR WOMEN program.
- Have each participant introduce herself in turn
- Distribute materials folders
- Outline topics that will be covered in each workshop session
- Describe your personal expectations for the program

B. WOMEN'S ATTITUDES TOWARD MONEY ..... 40 minutes

Purpose: to increase participants' awareness that many of the negative attitudes they have toward money are shared by women generally, to explore how such attitudes have developed, and how they often prevent women from exercising greater control over their financial affairs.

Activities

- Conduct Feeling Good exercise (Worksheet #1.2)
- Discuss participants' past association with money.
- Discuss participants' current feelings and practices concerning money.
- Summarize the discussion by outlining the major factors that contribute to many women's generalized anxiety about money.

C. NEW WAYS OF LOOKING AT MONEY ..... 40 minutes

Purpose: to introduce the view that money is simply a personal tool or resource, and like other personal resources, is controlled by its owner.

Activities

- Hold up a $20 bill and ask "What is this?"
- Summarize responses, stressing the point that people control money, not vice versa.
- Introduce definition of money as a personal resource that shares certain characteristics with other personal resources like time and skills, all three, for example, can be exchanged for goods and services.
- Distribute Worksheet #1.3, Bartering; read, and do exercise.

D. WHY MANAGE MONEY? ..... 15 minutes

Activities

- Discuss why resources are managed--asking for examples of how participants manage their resources of time and skill.
- Distribute What a Money Manager Does, Factsheet #1.4; read; discuss similarities between what a money manager does and what participants do in managing their time, for example.
- Focus discussion on the role of identifying alternatives in decision making and distribute Factsheet #1.5, Consumer Choices. Read and discuss.
- Distribute Expense Diaries and explain their purpose and how to use them.

E. LOOKING AHEAD ..... 10 minutes

Purpose: to formally conclude the first session, interest participants in the upcoming session, iron out any potential scheduling problems, and assign homework.

Activities

- Briefly describe what will be covered in Session #2.
- Discuss any problems participants may have with the workshop schedule
- Assign homework for the week:
  a) begin recording all expenses in Expense Diary
  b) complete the LOTTERY Worksheet (#1.6)

SESSION #2: MY PERSONAL MONEY MANAGEMENT PLAN

Leader's Guide

In this session participants take the first two steps toward developing their own personal money management plan -- determining their financial goals and priorities, and estimating their total family income for the current year.

Supporting Materials

- Blackboard, chalk and eraser, OR newsprint (2 to 4 sheets) and large crayon
- Lined scratch paper for participants
- To be distributed during the session (one for each participant, except as noted):

  -My Financial Goals, Worksheet #2.1 (2 per participant)
  -The Daley's Dilemma, Worksheet #2.2
  -Estimating Annual Family Income, Worksheet #2.3 (2 per participant)
  -Mathematics Anxiety Rating Scale, Form A (MARS)

Components	Length
A. WELCOME BACK	15 minutes

Activities

- Weclome participants
- Discuss participants' progress on and reactions to keeping their Expense Diaries

B. MY FINANCIAL GOALS AND PRIORITIES ..... 60 minutes

The intent of this component is to establish the importance of personal financial goals in designing a money management plan; to help each participant define her goals and priorities; and to

suggest ways that family members, whose financial goals differ, may resolve conflicts over how money is to be spent.

Activities

- Review Lottery responses as clues to understanding values and goals.
- Discuss why explicitly stated goals are important to a money management plan.
- Distribute and complete My Financial Goals (Worksheet #2.1).
- Pair participants to simulate how family members with different goals might reach a compromise on how to spend $600.
- Distribute, read, and do the exercise described in The Daley's Dilemma (Worksheet #2.2).

C. ESTIMATING INCOME ..... 35 minutes

Purpose: to have participants progress through the second step of a one-year personal money management plan--estimating annual family income.

Activities

- Discuss usual sources of income.
- Explain how to estimate regular and (especially) irregular income.
- Distribute, read, and complete a first draft of Worksheet #2.3, Estimating Annual Family Income. When participants have completed their worksheets, talk about how they felt doing the exercise.

D. COMING ATTRACTIONS ..... 10 minutes

Purpose: to formally conclude this session and motivate participants to attend the next.

Activities

- Give highlights of Session #3.

- Distribute a second Financial Goals and Annual Income worksheet for use at home and a MARS questionnaire to each participant.

- Assign homework:

  -continue Expense Diary
  -discuss Financial Goals exercise with family
  -check figures at home on Family Income worksheet and revise if necessary
  -complete MARS-A questionnaire and bring to next session.

SESSION #3: MONEY AND MATH

Leader's Guide

During the first half of this session participants estimate their fixed and semi-fixed expenses for the current year. This is the third step in the development of their personal money management plans. The second half of the session introduces a guest mathematician under whose guidance participants discuss their experiences, problems, and successes with math; and review, by working on sample problems drawn from everyday life, types of arithmetic concepts, computations, and calculations used in money management (e.g., adding, subtracting, multiplying, and dividing whole numbers, fractions, and decimals; translating fractions into decimals and percentages and vice versa).

Supporting Materials

- Blackboard, chalk & eraser, OR newsprint, tape, and large crayon
- Lined scratch paper for participants
- To be distributed during the session (one for each participant, except as noted)
  - -Important Family Documents and Financial Records, Factsheet #3.1
  - -Estimating Fixed and Semi-Fixed Expenses, Worksheet #3.2 (two for each participant)
  - -A Typical Problem, Worksheet #3.3
  - -(Everyday) Percentages, Factsheet #3.4
  - -(Everyday) Fractions, Factsheet #3.5
  - -(Everyday) Decimals, Factsheet #3.6
  - -Math Games, Factsheet #3.7
  - -What's Left Over, Worksheet #3.8

Components — Length

A. WELCOME BACK ..... 10 minutes

- Welcome participants.
- Briefly introduce guest mathematician and explain what her role will be later in the session.

- Review homework assignments: progress on Expense Diary; family discussion of financial goals; checking estimated income figures.
- Distribute and discuss Factsheet #3.1, Family Documents and Financial Records.
- Collect the MARS.

B. ESTIMATING FIXED AND SEMI-FIXED EXPENSES ..... 40 minutes

The purpose of this component is to define three major categories of expenses; to show how expenses can be systematically estimated; and to convey the concept that when saving is ranked as an important expense, the likelihood that money will actually be saved increases.

Activities

- Define and discuss Fixed and Semi-Fixed Expenses.
- Distribute Worksheet #3.2, Estimating Fixed and Semi-Fixed Expenses: read and complete.

C. MATH ..... 15 minutes

The goal of this portion of the session is to help the group identify how the problem of math anxiety leads to avoidance of situations involving numbers; and to have the group practice basic arithmetic manipulations needed to effectively manage financial resources. This activity is led by the guest mathematician with support from the workshop Leader.

Activities

- Mathematician offers a lay definition of math anxiety, describes typical symptoms, and cites types of experiences that often trigger its onset.
- Participants discuss experiences with math and math teachers, and feelings when faced with having to do math.

- Mathematician summarizes discussion and suggests that past negative experiences often inhibit people from later attempting to deal with math at all.

D. MONEY MANAGEMENT AND MATH ..... 70 minutes

The purpose of this section is to illustrate the number of ways math is involved in our everyday lives; to review basic facts about fractions, decimals, and percentages; and to provide participants an opportunity to successfully "solve" a comparison shopping problem with math.

Activities

- Distribute Worksheet #3.3, A Typical Problem, have participants read the problem and (a) write down their emotional reactions to the problem and (b) solve it.
- Mathematician determines which parts of the problem present the most difficulty and focuses on those as she works through the problem step by step on the blackboard or newsprint sheet.
- Distribute Factsheets #3.4, (Everyday) Percentages; #3.5 (Everyday) Fractions; and #3.6 (Everyday) Decimals.
- Mathematician discusses each factsheet with participants, working at the board to illustrate the processes.
- Mathematician distributes Factsheet #3.7, Math Games, and goes through the statements one at a time, pointing out the fallacies each embodies.

E. CONCLUSION ..... 10 minutes

Activities

- Invite group to stay for a question-and-answer period with the guest mathematician.
- Assign homework:
  - -continue recording purchases in Expense Diary and bring it to the next session
  - -distribute Worksheet #3.7, What's Left Over, and explain how to complete it
  - -compare figures used in estimating fixed and semi-fixed expenses with records at home and revise if necessary (distribute a second copy of form to each participant).

SESSION #4: PUTTING THE PLAN TOGETHER AND MAKING IT WORK

Leader's Guide

Participants complete their personal money management plans in this session by estimating their discretionary expenses, comparing their estimated expenses (fixed + semi-fixed + discretionary) with their annual estimated income, and discussing four general strategies for bringing expenses into balance with income.

Supporting Materials

- Blackboard, chalk & eraser, OR newsprint, tape, and marking crayon
- Lined scratch paper for participants
- To be distributed during the session (one for each participant, except as noted)

  -It's Up To Me: Discretionary Expenses, Worksheet #4.1 (two for each participant)
  -How Can I Cut My Expenses, Worksheet #4.2
  -PARTICIPANT take-home PACKETS containing one each of the following:*

  - Before You Buy, Worksheet #4.3
  - "Best Buys" Calendars for Fresh Fruits and Vegetables, Factsheet #4.4
  - "Consumer's When-To-Buy Calendar 1981," U.S. Office of Consumer's Education
  - "How to Cut Energy Costs in your Apartment", Con Edison flyer
  - "Ten Ways to Save on Food"
  - "Supermarket Checklist"
  - "The Consumer Affairs Information Guide"

  } New York City Department of Consumer Affairs booklets.

  - "How to get the most out of your phone service"
  - "Interstate long distance calling guide"
  - "A short course in long distance"

  } New York Telephone Company flyers.

  -How Do We Make Financial Transactions?, homework Worksheet #4.5

*NOTE: The three worksheets included in these packets appear in Appendix D. Other materials will need to be assembled by the workshop coordinator.

Component	Length

A. WELCOME BACK ..... 15 minutes

- Welcome participants and continue to take attendance
- Outline day's activities
- Discuss homework: Expense Diary progress; checking of Estimated Fixed and Semi-Fixed Expenses (Worksheet #3.2); and completion of What's Left Over (Worksheet #3.3)

B. ESTIMATING DISCRETIONARY EXPENSES ..... 40 minutes

The aim of this segment is to reinforce the distinction between discretionary and fixed and semi-fixed expenses; to introduce a system for classifying discretionary expenses; and to provide an opportunity for participants to estimate how much they expect to spend on discretionary purchases this year.

Activities

- Define Discretionary Expenses.
- Distribute Worksheet #4.1, It's Up To Me: Discretionary Expenses, and read page 1.
- Discuss types of items that might be included in each discretionary expense subcategory.
- Have participants complete Worksheet #4.1.
- Discuss how the Expense Diary can be used to produce estimates better in line with spending patterns and, later, to identify where actual spending differs from estimates.

C. BRINGING THE PLAN INTO BALANCE ..... 50 minutes

The purpose of this component is to introduce techniques that can help participants determine where, how, and by how much expense estimates can be cut to bring income and spending into balance.

Activities

- Use homework Worksheet #3.7 (What's Left Over) to compute total annual estimated expenses and the amount by which expenses are estimated to exceed income.

- Distribute Worksheet #4.2, How Can I Cut My Expenses and scratch paper; read first two paragraphs aloud then turn to page 2 to discuss whether participants agree or disagree with the answers given to the question "Can This Expense be Reduced?"

- Of the expense categories with checks in the "Yes" column (i.e., those that can be cut or eliminated), have participants circle three in which they do not want to make any spending cuts, then circle three others where cuts would be least important to them.

- Refer participants to their Expense Worksheets #3.2 and #4.2, to locate the annual total they estimated for these three least important categories and reduce them by 25 percent.

- Apply a "reasonableness" test to each new total ("Can I live with this each week/month?")

- Proceed to other expense categories one at a time in order of least preference, and repeat this process, but now only at a 10 percent reduction rate, until estimated expenses balance estimated income--or until time is up (in which case participants will continue on their own at home).

- Introduce four general strategies for reducing spending: substituting, comparison shopping, cutting back, and eliminating.

- Return to Worksheet #4.2 and discuss in what specific ways expenses could be reduced by applying these strategies.

- Distribute participant take-home packets. (Discuss one or more of the enclosures if there is time.)

- Congratulate participants on the completion (or near completion) of their plans, reiterate the purpose of such plans; and summarize the five steps they went through to create a personalized plan of their own.

D. LOOKING AHEAD ..... 10 minutes

- Brief overview of Session #5.
- Distribute homework Worksheet #4.5, How Do We Make Financial Transactions?

SESSION #5: CHECKING AND SAVINGS PLANS

Leader's Guide

In this session participants (a) consider the possible advantages and disadvantages of using cash, cash-equivalents, or personal checks to carry out financial transactions; (b) examine the distinguishing features of regular, special, and interest-bearing checking plans and seven types of savings/investment plans (day-to-day savings accounts, time or certificate accounts, club plans, individual pension or retirement plans, company thrift or pension plans, Series EE U.S. Savings Bonds, and money market funds); and (c) discuss how the terms that govern any type of checking or savings plan are likely to differ from financial institution to financial institution (or company to company in the case of company-sponsored plans).

Supporting Materials

- Blackboard, chalk, and eraser, OR newsprint sheets, tape, and marking crayon
- A blank check (optional)
- To be distributed during the session (one for each participant)
  - -Making Payments: Which Method Works Best for Me?, Worksheet #5.1
  - -Converting a Check into Cash, Factsheet #5.2
  - -Writing Checks and Recording Transactions, Factsheet #5.3
  - -How to Balance Your Checkbook, Factsheet #5.4
  - -The Importance of Interest Rates, Factsheet #5.5
  - -Booklet(s) outlining terms of IRA and KEOGH plans offered by one or more banks

Components — Length

A. WELCOME BACK ..... 15 minutes

- Give brief summary of the topics to be covered today.
- Review participant responses to Worksheet #4.5, How Do We Make Financial Transactions, discussing each method's "hidden" cost, as well as the ease of recordkeeping, convenience, and safety it provides.

B. CHECKING PLANS ..... 45 minutes

The purposes of this part of the session are to illustrate that the decision to open a checking account actually involves two choices, a choice among types of accounts and one among banks; to identify factors (criteria) upon which those choices can be based; and to review such check and checking related activities as opening an account, endorsing and writing checks, recording checking transactions, and balancing a checkbook.

Activities

- Distribute and complete Worksheet #5.1, Making Payments: Cash or Check?
- Discuss possible advantages of a checking account.
- Describe how Regular (or Balance) accounts, Special (or Economy) accounts, and NOW accounts differ from each other.
- Discuss how the terms of a checking plan may differ from financial institution to financial institution.
- Describe the procedure for opening a checking account.
- Distribute, read, and discuss Factsheet #5.2, Converting a Check into Cash.
- Distribute Factsheet #5.3, Writing Checks and Recording Transactions; read and discuss points as you go along.
- Distribute Factsheet #5.4, How to Balance Your Checkbook; read and discuss only if group feels this is necessary and you determine there is enough time to do so.

C. SAVINGS PLANS ..... 50 minutes

Purpose: to examine reasons for savings plans and the types of savings/investment plans available to small investors as well as the factors to weigh in deciding what type of plan and what financial institution best meets an individual's needs.

Activities

- Discuss general reasons for savings plans.
- Discuss the factors to weigh in choosing a savings plan (e.g. minimum deposit, rate of interest, frequency of compounding, liquidity).
- Distribute and discuss Factsheet #5.5, The Importance of Interest Rates.
- Describe and discuss the basic features of Day-to-Day Accounts, Certificate or Time accounts, Club savings plans, individual pension or retirement plans, company-sponsored thrift or pension plans, U.S. Savings Bonds-Series EE, and money market funds.
- Distribute brochures from several financial institutions to illustrate how the terms governing one or more of the plans discussed vary from institution to institution.

D. PREVIEW OF SESSION #6 ..... 10 minutes

- Summarize what will be covered in the workshop's last session.
- Ask each participant to bring in copies (enough for the group) of a flyer outlining the terms of a loan plan available from her local lending institution (credit union, bank, finance company).

SESSION #6: MANAGING CREDIT

Leader's Guide

The final session of MONEY MANAGEMENT FOR WOMEN focuses on a money manager's fourth resource: credit. The session begins with participants' defining credit, discussing its advantages and disadvantages, and considering some of the sound and unsound reasons for its use. Types of credit arrangements are then discussed as well as credit costs, the advantages of shopping for financing, and traditional loan sources. An examination of the criteria creditors use in determining credit worthiness, reasons credit applications may and may not be turned down, and a review of credit management guidelines complete the session.

Supporting Materials

- Blackboard, chalk, and eraser, OR newsprint, tape, marking crayon
- To be distributed during the session (one for each participant)
  - -Borrowing and Buying on Credit: Yes or No?, Factsheet #6.1
  - -A Comparison, Worksheet #6.2
  - -If You Use Open-End Credit, You Should Know, Factsheet #6.3
  - -Shopping for a Loan, Factsheet #6.4
  - -If You're Denied Credit, Factsheet #6.5
  - -Basic Do's and Don'ts of Credit, Factsheet #6.6
  - -When In Over Your Head, Factsheet #6.7
  - -Booklets from two or more banks describing the terms they offer for the same type of special-purpose loan (e.g. auto, home mortgage, home improvement.)

Components — Length

A. WELCOME ..... 5 minutes

- Welcome participants to this concluding session of MONEY MANAGEMENT FOR WOMEN and briefly summarize today's activities.

B. CREDIT: WHAT IS IT? ..... 45 minutes

This segment seeks to deepen participants' awareness of credit's dual nature and the differences between open-end and closed-end credit arrangements.

Activities

- Ask participants to define credit in their own words. Summarize their responses, highlighting the point that in essence, credit is simply a method of borrowing money.
- Elicit participants' ideas about the advantages and the disadvantages of using credit.
- Distribute Factsheet #6.1, Borrowing and Buying on Credit: Yes or No? and discuss each situation listed, or if appropriate, concentrate on those in which borrowing would be unwise.
- Explain the difference between open-end (or revolving) credit and closed-end credit.
- Discuss the distinguishing features of such open-end credit arrangements as personal charge accounts at local stores, single-purpose credit cards, store charge accounts (30-day and revolving), multi-purpose credit cards), and line-of-credit or overdraft checking account privileges.
- Restate the essential difference between open-end and closed-end credit arrangements (e.g., installment plans and loans).
- Discuss the terms a consumer typically is asked to abide by under an installment plan agreement.
- Describe and discuss the five most common types of loans -- bank credit card loans, passbook loans, life insurance loans, second mortgages (if a homeowner), and unsecured personal loans -- in terms of eligibility requirements, relative cost, amount that can be borrowed, and how they are obtained.
- Distribute the special-purpose loan brochures and use to discuss the ways in which loan terms differ from bank to bank.

C. THE COST OF CREDIT ..... 30 minutes

Purpose: to illustrate how credit charges are calculated and acquaint participants with the terms Finance Charge and Annual (or Effective) Percentage Rate (APR) and how they can be used to determine which financing arrangement will be least costly.

Activities

- Explain how the disclosure requirements mandated by the Truth In Lending Act enable consumers to compare credit costs from different sources.
- Explain the meaning of the terms Finance Charge and Annual (or Effective) Percentage Rate (APR).
- Distribute Factsheet #6.2, If You Use Open-End Credit, You Should Know...; read aloud and discuss.
- Go over the definitions of Finance Charge and Annual (or Effective Annual) Percentage Rate. Use as an example a $100, one-year loan to illustrate how the Finance Charge and APR are calculated (a) when the loan is paid in a lump sum at the end of the year; and (b) when it is paid back in equal monthly payments.
- Distribute Worksheet #6.3, A Comparison; read first two paragraphs, allow participants several minutes to consider the options, then ask for opinions; turn worksheet over and discuss the answers given on the back.
- Distribute Factsheet #6.4, Shopping For a Loan; read and discuss.
- Describe how commercial banks, thrift institutions, credit unions, finance companies, life insurance companies, pawn brokers, and loan sharks differ in terms of the types of loans offered, eligibility standards, interest rates, and safety or protection.

D. ESTABLISHING A CREDIT RATING ..... 20 minutes

The objective of this component is to outline the process by which credit ratings are determined and how a credit history is built and maintained.

Activities

- Describe the role of credit bureaus and how to obtain a copy and, if necessary, have changes made in your credit record.

- Discuss the factors -- capacity, character, collateral -- creditors consider in rating an applicant's credit-worthiness.

- Distribute Factsheet #6.5, If You're Denied Credit; read and discuss

- Elicit suggestions from group about what one might do to start building a good "credit History." Add other ideas if necessary to arrive at a minumum of six.

E. MANAGING CREDIT ..... 15 minutes

The aim here is to reinforce the workshop's theme that active management of resources, of which credit is one, is the key to achieving control over the financial aspects of our lives.

Activities

- Distribute Factsheet #6.6, Basic Do's and Don'ts of Credit; read and discuss each point.

- Distribute Factsheet #6.7, When In Over Your Head; read and discuss.

F. FAREWELL ..... 5 minutes

- Summarize what participants have done during the course of the workshop and congratulate them on their accomplishments.

- Describe your personal feelings about the workshop and working with this group of women

- Conclude with a personal goodbye.

APPENDIX E

Participant Materials
Developed by CASE/IRDOE
for the
MONEY MANAGEMENT FOR WOMEN program

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

A consumer-education program developed by
the Center for Advanced Study in Education
Graduate School and University Center
City University of New York

WORKSHOP SESSION OUTLINE

Session #1 WOMEN AND MONEY

- How women feel about money and why
- What is money anyway?
- What a money manager does and why

Session #2 MY PERSONAL MONEY MANAGEMENT PLAN

- Step One: What do I want? -- determing our financial goals and priorities
- Step Two: What do I have to work with? -- estimating our annual income

Session #3 MONEY MANAGEMENT AND MATH

- Step Three: Estimating our fixed and semi-fixed expenses
- Practicing the kinds of arithmetic that makes managing our money easier

Session #4 PUTTING THE PLAN TOGETHER AND MAKING IT WORK

- Step Four: Estimating our discretionary (day-to-day) expenses
- Step Five: Balancing our money management plan
- Strategies for cutting expenses

Session #5 CHECKING AND SAVINGS PLANS

- Shopping for a checking account; "how-tos" of writing and endorsing checks and balancing a checkbook
- Shopping for a savings account

Session #6 MANAGING CREDIT

- Credit: what is it?
- Shopping for a loan
- Establishing and maintaining a credit rating
- Do's and Don't of credit

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

FEELING GOOD

At various times in our lives, each of us has done things that made us feel good about ourselves. This good feeling is sometimes related to a public success, such as winning an award or speaking in front of a group; sometimes to a private one, like finishing a book or fixing a broken lamp.

In the two boxes below, describe two things that you did that made you feel good about yourself. They can be big or small, public or private; the important thing is that they made you feel good. Think back over your entire life to things you did that made you feel good when you were younger as well as more recent accomplishments.

I FELT GOOD ABOUT MYSELF WHEN....

1.

about how old were you_____

2.

about how old were you_____

NOW, in box number 3 below, describe something you did involving money that made you feel good about yourself.

3.

about how old were you_____

©CASE/CRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

BARTERING: What can I offer? What can I ask for?

Just as you exchange money for products and services, you have other resources that you can offer in return for things you want and need. These other resources are skills and time.

BARTERING refers to any trade of products or services that does not involve the direct transfer of money. Whenever we exchange favors with other people we engage in a form of bartering. For example, if you run an errand for a friend and in return she babysits for you, you are involved in a bartering situation. BARTERING, as a means for exchange, is a valuable alternative to money.

Everyone has certain skills. You may be handy with tools, but not know how to sew a hem. Your neighbor, on the other hand, may be a good seamstress, but unable to hang a picture. Without relying on money, the two of you could come together and trade skills. In addition to special skills, we can exchange our time for things or services we want. For example, if we decide to walk to a store instead of taking a bus or subway, we exchange our time to save money.

What skills or time could you offer to a friend, neighbor, relative, or even to a stranger in exchange for something you want in return? This exercise can help you develop a bartering system. On the next page is a list of items which could be exchanged. Read through the list and in the blank spaces add other services you might be able to provide. In the first column ("What can I offer?") on the bottom of page 2, write in the services you can offer. Next, in the second column ("What do I want?"), list the services you might want in return. Now, what service in column 1 could you exchange for a service in column 2? Draw a line between an item you can offer and any one thing you want.

You're not finished yet. Notice the example we wrote in: we will offer to sew hems for a friend in return for having her color our hair. But an important part of bartering is to figure out what would be a fair trade: how many hems is a hair coloring worth? This is a personal decision and depends on how much something is worth to you! You might agree with the example that one hair coloring is worth three skirt hems. Write that in the column called "Exchange Rate". Figure out similar "exchange rates" (fair trades) for each set of services you want to exchange.

It might be fun to work on this exercise with friends and form your own BARTERING CLUB as the other groups have done.

SAMPLE ITEMS YOU CAN BARTER

Babysit	Cook	Bake	Walk a dog
Shop	Do housework	Repair furniture	Care for animals
Do errands	Sew	Do carpentry	Care for plants
Repair appliances	Provide a ride (if you have a car)	House sit	Paint
Decorate		Type	Teach a language
Cut or style hair	Manicure	Tutor a child	_____
_____	_____	_____	_____

BARTERING

WHAT CAN I OFFER?	WHAT DO I WANT?	EXCHANGE RATE
Sew →	Babysitter	
	Hair color	- - - - - 3 skirt hems = 1 hair color

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

WHAT A MONEY MANAGER DOES

There are people who make a living managing other people's money. These are the professional money managers. Yet each of us in our own way manages money--sometimes without fully realizing it, and sometimes without liking it. Everytime we make a decision that involves spending or not spending, buying or not buying, we are managing our money. The professional has the benefit of special training in various methods of thinking about and handling money. Few of us may intend to become professional money managers, but each of us can borrow some of the professional's tricks of the trade that will help us manage our own money more easily and with more profitable results. Managing money is important because it enables us to use our money with less waste, to buy more of the things we really want, and to make our money grow!

Below are some things a money manager does. Don't worry if at this moment the description doesn't quite fit you. That's what this program is all about--these are the things we will be working toward together.

- A MONEY MANAGER UNDERSTANDS HER VALUES AND GOALS:

  What are my values? Are material possessions (such as clothes, furniture, or stereo equipment) important to me? Do I care whether I will be able to live comfortably when I retire? Do I like the feeling of not owing anyone money? Do I enjoy entertainment--movies, going out to dinner? Is education important to me? What things are most important? Least important?

  What are my goals? Do I want to spend my money now on things I enjoy? Do I want to save up for a big purchase--a new television set or an airconditioner? Do I want to make sure my family is secure and get life insurance, medical insurance, and homeowners insurance before anything else? Do I want to save for my children's college expenses? Am I aware when my goals conflict?

- A MONEY MANAGER KNOWS HOW TO PLAN FOR WHAT SHE WANTS:

  Do I know how to save a portion of each paycheck? Do I know how long it will take me to save $100? The amount I need to accomplish one of my goals? Do I know which kind of savings account yields the most interest and still allows me to withdraw money when I need it? Can I make new plans as my life situation changes?

- A MONEY MANAGER KNOWS WHAT HER CHOICES ARE:

  Do I know how to comparison shop? Do I know where to find information about the pros and cons of different types of television sets? Do I know whether the sweater I saw in the store in my neighborhood is available at another store for less money? Do I know the difference between brand name products and no-name products? Am I aware that I sometimes choose a more expensive item just because I want to?

- A MONEY MANAGER KNOWS HOW TO KEEP TRACK OF HER MONEY:

  What is my total family income? Do I know how much each member of my family contributes to the household, taking into account part-time and moonlighting jobs, and allowing for taxes? Do I remember to include income from other sources, such as interest on my savings account or Christmas/Chanuka Club? Should I count the rent I get for the small room on the top floor?

  What are my expenses? How much money do I pay out regularly each month for rent? food? utilities? Do I know how much I usually spend in a year on entertainment? transportation? clothing? Is my child's allowance an expense? What about the finance changes I pay on my credit card balance? Can I account for how I spend my money on each month? Do I know what choices I have when it comes time to buy something--and how to decide among them?

  Do I know what I can and cannot afford? Do I have money to buy a new dining table? Does it make sense for me to try to save up to buy a car by the end of this year? Right now, do I have money to buy a winter coat on sale? Can I take a vacation this summer?

In the upcoming sessions we will be dealing with each of these topics and questions: trying to find answers which best fit our own individual situations. By the end of the last session, you should be well on your way to being able to say "Yes, I'm a money manager."

> "Money is meant to set you free, not to entrap you in a vicious circle of earning and spending. It is meant to give you the means to help yourself and to help others."
>
> Eliot Janeway
> Musings on Money

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

CONSUMER CHOICES: EXPLORING OPTIONS

Anyone who buys goods or services is a consumer. As consumers, we often have more choices available to us than we think we do. The cost of a product or service may be very different depending on how it is packaged, and where and when it is bought. Once we decide to buy a particular item, it makes sense to find out about the different ways it can be purchased.

Three consumer items are listed on the next page: a service (telephone), a product (a book), and a food item (mayonnaise). What we have done is to show how the same type of item can be bought in different ways for different prices. For example, look at the options we have available if we want to read a particular book (column 1). First, we can choose between borrowing the book from the library (which would cost us nothing) and buying our own copy. If we decide to buy the book, we can choose between buying a hardcover copy or a paperback copy (for less than the price of the hardcover). Then we still have another option. Did you know that often the same book sells for a very different price at a regular bookstore and at a discount bookstore? Or a good used copy at an even lower price at a used-book bookstore?

In deciding among these options, however, price may not be the only factor to consider: there are trade-offs involved in choosing any one option over another. For example, the hardcover version of a book may last longer (it's more durable), look nicer, and be easier to read (because of it's larger print) than its paperback version. In making our choice, we can decide whether these qualities are more important to us than the amount of money we would save by buying the book in paperback. The point is that if you don't know what your choices are, you may spend more than you need to. You might buy the book at Doubleday's in hard-cover for $14.95 when that week the very same hardcover book was available at Barnes & Noble for a special price of $4.98.

As another example look at column 2, which shows the options available for telephone service. You could save $3.00 to $4.00 a month by using a standard model phone (with a dial) instead of the more costly trimline, princess, or touch tone models. And, are you aware of the different service plans available? Is there a plan that will meet your needs as well as the plan you have now--and cost you less each month?

There are even alternatives when it comes to buying everyday food items like mayonnaise. Take a look at column 3. You can buy a well-know brand name (Hellman's), a store brand (like Sloan's Krasdale), or a no-name brand (sometimes called "no frills") mayonnaise. Compare the difference in price for the identical 32 oz. jar. This example also shows something else about choices: if you do some arithmetic, you will see that even within the same "brand" family, there can be a difference in cost per ounce, depending on the size you buy.

These are just three examples of the many, many consumer goods and services that differ in cost depending on how they are packaged and where and when they are purchased. Think of what you might save if you find out what your options are before you buy!

(1) BOOK: Everyone's Money Book, Jane Bryant Quinn, NY: Delacorte Press, 1979 (paperback, 1980)

OPTIONS:

BORROW

$00.00 .. library or friend

BUY

New Hardcover (1979)

$14.95 .. regular bookstore
$ 4.98 .. discount bookstore (special sale at Barnes & Noble sale annexes)

New Paperback (1980)

$ 8.95 .. regular bookstore
$ 7.49 .. Barnes & Noble sale annexes

Used Hardcover or Paperback

$? .. second-hand bookstores (Strand Books did not have a used copy of this book THIS WEEK, but it may show up in the future)

$? .. thrift shops, garage sales, etc.

E-9

85

(2) SERVICE: Telephone service plans and phone models

OPTIONS:

SERVICE PLANS (Monthly charges)*

*Basic Budget $2.15
PLUS a charge for each outgoing local call as follows:
Day rate .....9¢
Night rate .....6¢
Late night, weekends, and holidays.....3¢

[This plan is best for those who do not make many local calls.]

*Timed Message Rate $4.91
PLUS (if you go over the built-in call allowance of $4 per month) a charge for all outgoing local calls at the same rates as above, AND AN ADDITIONAL 1¢-per-minute charge when your call runs longer than 5 minutes. [This plan is best for people who usually speak less than five minutes per call.]

*Untimed Message Rate.....$5.94
PLUS (if you go over the built-in $4 local usage allowance) a charge for all outgoing local calls at the rates given above, but no additional charge no matter how long you talk.

[This plan is best for those whose calls usually run for more than 5 minutes.]

*In addition to these monthly "service" charges, your phone bill also includes a per-month charge for your telephone (see Telephone Models below) and a wire charge that varies depending on where you live ($1.63 in Manhattan).

TELEPHONE MODELS (monthly charges)
Standard Rotary.... $1.77
Princess..... $4.70
Trimline..... $5.67

Plus an additional $3.19 per month charge for each model with touch tone. No charge for color.

(3) FOOD: Mayonnaise

OPTIONS:

32 ounce jar

$1.99 .. Hellman's (brand name)
$1.59 .. Sloan's "Krasdale" (house brand)
$1.19 .. No-name (generic) brand

Price per ounce by Brand Name and Jar Size

Hellman's
32 oz. jar .....6.2¢ oz.
8 oz. jar .....8.6¢ oz.

Sloan's (Krasdale) house brand
32 oz. jar .....5.0¢ oz.
8 oz. jar .....7.4¢ oz.

No-name brand
32 oz. jar .....3.7¢ oz.
8 oz. jar .....not available

89

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

THE LOTTERY

Imagine you have just received this official telegram:

western union **Telegram**

CONGRATULATIONS!

YOU HAVE JUST WON $10,000 IN THE NEW YORK STATE LOTTERY.

What would you do with this money? Use the rest of this page to describe how you would use your winnings. Feel free to write out a shopping list, jot down notes, draw pictures, etc.

Bring this worksheet with you to Session #2. It won't be collected, but you will need it for the discussion.

© CASE/IRDOE

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

MY FINANCIAL GOALS

Listed below are some of the financial goals that many people share--things they work and save for. Not everyone has the same goals, and we wouldn't expect them to, for goals are very personal. There are no "right" or "wrong" financial goals, only goals that are personally important to you. Another thing about goals is that everyone seems to have several. This exercise should help you better understand what your financial goals are.

First: read through the list quickly to see if all the things that are important to you are included. If they are not, add them in the blank spaces at the bottom.

Second: Read through the list again, item by item, and decide just how important each item is to you right now.

if it is NOT AT ALL IMPORTANT to you....put a check in column 1
if it is SOMEWHAT IMPORTANT to you.....put a check in column 2
if it is VERY IMPORTANT to you.....put a check in column 3

Third: Look at the goals you checked as "Very Important" and circle the three you consider most important of all.

SOME FINANCIAL GOALS	(1) NOT AT ALL IMPORTANT	(2) SOMEWHAT IMPORTANT	(3) VERY IMPORTANT
to have more money in the bank			
to take a vacation each year			
to have dinner out more often			
to not be in debt			
to buy stereo system (or something similar-- a T.V.)			
to go to the movies more often			
to own a new car			
to send my children to college			
to invest in schooling or job training for myself			
to have health insurance			
to own a home of my own			
to go to hairdresser regularly			
to join, be a member in a "Y" social club, etc,...			
to buy a new coat			
to buy more new clothing			
to move into a larger apartment			
to take lessons (music, art, dance)			
to redecorate my home			
to have more money to invest			

©CASE/IRDOE, 1981

THE DALEY'S DILEMMA: An Analysis

The Daleys are in a situation that families typically face when making a financial decision. Each family member has somewhat different values and goals that need to be discussed before the family begins to explore their options and decide which choice will work out best for the family as a whole.

The Daleys have a number of alternatives from which to choose and a number of different ways of arriving at a decision about how to use the $800. Even in decision-making situations involving a limited amount of money, there are usually several options--some of which come to mind easily, others that become apparent only after some thought.

Several strategies the Daleys might use to arrive at a decison are given below. Each strategy will result in a different use of their money and different consequences for each family member.

Read each decision strategy and, in the space provided under each, describe how the Daleys might spend the $800 if they used that particular method and what the results (consequences) would be. Note that each method involves some kind of compromise. We have provided an example for the first decision strategy.

DECISION STRATEGIES

1. CHANGE THE TUNE: Instead of each person insisting on their original plan, they come up with a new proposal that will accommodate everyone.

   Example: Mr. and Mrs. Daley decide not to take an extended vacation, but instead to go on several one-day family trips and to take three long-weekend trips alone so they can relax together. This would leave enough money to at least start repairs on the roof. They also decide to shop for Wendy's winter jacket now (since it's off-season there should be some good sales), and to pay part of the cost of a new bike if Wendy gets a summer job and contributes to it, and if she'll babysit her brother on those weekends her parents are on vacation.

   Consequences: Each family member gets some of what they want. Repairs will be started. Steve will go on vacation with his parents and have them around most of the summer. Mr. and Mrs. Daley will have a few days of relaxation alone. Wendy may get her bicycle, but she will have to get a summer job and give up three weekends to babysit. She will also get a winter jacket, although the variety may be limited at summer sales.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

THE DALEYS' DILEMMA

It's a beautiful, warm spring evening in early May. The Daley family (Mr. and Mrs. Daley, their 9-year old son Steve, their 14-year-old daughter Wendy--and their dog Sandy) are sitting around the table finishing dinner. Mr. Daley mentions that by July the family will have about $800 in their savings account. He says that he would really like to use the money for a vacation--a week or so to relax at a resort alone with his wife. Mrs. Daley agrees that a vacation would be nice (they haven't taken one together in years), but she feels the money should be used to repair the leaky roof on their house which has been getting worse every year. Mrs. Daley points out that the savings aren't enough for both the repair work and a vacation. She also says that a resort is way beyond their means. Mr. Daley, on the other hand, argues that according to the ads he's seen in magazines, $800 would surely buy a "no frills" vacation at a resort.

Wendy, the 14-year-old, interrupts to say that if she's going to be in the city this summer she will need a new bike. Steve, her brother, insists that if his parents go away on vacation, he wants to go with them. At this point, Mrs. Daley reminds Wendy that she needs a new winter jacket; a new bike now would be an unnecessary luxury.

* * * *

Obviously, each Daley family member has a different goal. Mr. Daley wants a vacation, Mrs. Daley would like a vacation also, but recognizes that the roof should be repaired. The daughter wants a new bike, while her mother says she needs a new winter jacket. And some plans have to be made to take care of Steve if his parents go away alone for a week or two.

2. TAKE TURNS: In this option, some members of the family get what they want now by agreeing to allow the others to have first choice the next time money is available.

Example:

Consequences:

3. GIVE IN: Some family members simply give in to the wishes of others.

Example:

Consequences:

4. SET PRIORITIES: In this instance, the family decides that some members' wishes are really the most important at this time. (Note that this option involves making judgments about other people's values.)

Example:

Consequences:

5. WIN THEM OVER: To use this option, one or more members of the Daley family will need to argue convincingly enough to win others over to their way of thinking.

Example:

Consequences:

6. TRADE-OFF: In this decision-making option, some family members agree to the others' demands in return for some other form of compensation.

Example:

Consequences:

MY FAMILY'S DILEMMA

Now and then every family finds itself in a "Daleys' Dilemma" situation. Even a one-person "family" has to work out a compromise between conflicting goals (in this case their own) in reaching a decision about how money is to be spent.

Take a financial decision your family is facing now and write it down in the space below. Then, think the problem through systematically, considering all of the options suggested below and figuring out what the outcome is likely to be in each case. You may come up with some workable solutions that you hadn't thought of yet.

MY DILEMMA: (State your problem as clearly as possible.)

MY OPTIONS

(1) CHANGE THE TUNE:

(2) TAKE TURNS:

(3) GIVE IN:

(4) SET PRIORITIES:

(5) WIN THEM OVER:

(6) TRADE-OFF:

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

ESTIMATING ANNUAL FAMILY INCOME

Your annual family income is the total amount of money your family takes in each year. Family income may come from a number of different sources. Some people, for example, may work for companies that give employee bonuses; others may rent out a room in their home; still others may receive child support, AFDC, or alimony payments. Income also tends to arrive at different times - regularly or irregularly - depending on the source. Part of your family's income may come in on a regular weekly basis (like a salary paycheck), another part on a monthly basis (say, child support payments), still another part only quarterly (like interest on a savings account), and yet another part just once a year (like a company bonus or a cash birthday gift).

The chart on the following page will help you estimate the total amount of income your family will have to work with this year. It includes a list of possible income sources and a column for each of four different payment schedules--WEEKLY, MONTHLY, QUARTERLY, ANNUALLY. Not all of these sources may apply to you, just use the ones that do. If you receive income from a source not already listed, add it at the bottom.

L-18

Go down the list of sources and for each source that applies to you, write the dollar amount you expect to receive in the appropriate column. If money comes from a source weekly, enter the dollar amount you expect to receive each week in Column 1 (WEEKLY), multiply that amount by 52 (the number of weeks in a year) and write the answer in Column 5 (12-MONTH TOTAL). If you receive money from a source once a month, enter the amount you receive each month in Column 2 (MONTHLY), multiply that amount by 12 (the number of months in a year), and write the answer in Column 5. For income you receive quarterly, use Column 3 and multiply the amount you expect to receive each quarter by 4 (the number of quarters in a year), and again write your answer in Column 5. For a source that provides income only once a year or in irregular dribs and drabs throughout the year, enter the total dollar amount you expect to receive from this source this year in Column 4 (ANNUALLY), multiply by 1 (remember what happens when any number is multiplied by 1?), and enter your answer in Column 5 as usual.

In all cases where you are not sure of the exact amount you can expect to receive from a source, UNDERESTIMATE--that way you won't be caught short at the end of the year, or if it turns out that you receive more than you originally estimated you could finish the year with a surprise surplus.

The last step is to add down Column 5. The final total represents a good workable estimate of your 1981 Annual Family Income--the total amount of money your family will have to work with in 1981. (You may also want to divide this annual total by 12 to see the average amount of money you'll be dealing with each month.)

ESTIMATED ANNUAL INCOME - 1981

SOURCE OF INCOME	Usually comes in				
	(1) WEEKLY x 52 (once a week)	(2) MONTHLY x 12 (once a month)	(3) QUARTERLY x 4 (once every 3 mos.)	(4) ANNUALLY x 1 (once a year)	(5) 12-MONTH TOTAL
My take-home Salary (after deductions)					
Take-home Salaries of other family members					
Alimony					
Child-support payments					
Aid to Families with Dependent Children (AFDC)					
Unemployment compensation					
Moonlighting jobs					
Company bonus					
Rent paid to me					
Cash gifts					
Interest on savings or investments					
Amount repaid to me by others					

TOTAL ESTIMATED FAMILY INCOME FOR 1981 ..... $_____

E-19

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN

"There Has to be Another Way"

IMPORTANT FAMILY DOCUMENTS AND FINANCIAL RECORDS

Financial affairs always seem to involve pieces of paper: records of what you bought and sold, promises to pay, proofs of payment, and identifying documents, among others. Some records you need fairly often, others less frequently, and some only rarely. But no matter how often they are used, when you need them you should be able to put your hands on the correct document or financial record right away.

The following is a list of some important family records and documents you should have, and a very brief example of why each is important. Go through the list to see which of these you already own and which you will need to get. You may then wish to store these papers as suggested.

Items to be Kept in a Fireproof Strongbox or Safe Deposit Box

Birth Certificates - to prove who you are and when and where you were born. A birth certificate is needed to register a child in a public school; to apply for a driver's license, marriage license, etc.

Citizenship Papers - to document citizenship. Required when registering to vote, applying for a U.S. Passport, etc.

Marriage Certificates - to prove that you were married to whom and when. Needed when drawing up a will, taking out insurance policies, applying for separation and divorce, etc.

Adoption Papers - like birth certificates, to document who you are and what your legal status is.

Divorce Decrees - to prove that you were divorced, from whom and when. Needed to apply for a license in case of remarriage, to protect you from liability for an ex-spouse's debts, etc.

Insurance Policies - documents from your insurance company to prove amount of policy, coverage, beneficiary(s).

Separation Papers - to prove legal separation. Needed to document financial and other agreements (such as visiting rights for children), etc.

Wills - these dictate what you want done with your property and/or possessions, and who is to take care of your minor children in case of your death.

Death Certificates - to prove death. These are needed for tax purposes, joint ownership, for collecting insurance, for social security benefits, probating wills, etc.

Deeds - to prove ownership of property. These are needed for sale of property or in case of death.

Titles to homes - to prove ownership of home, by whom, and under what conditions. These are required for selling your property, renegotiating a mortgage, etc.

Veteran's Papers - to prove length of time in armed services, kind of discharge, and date of discharge. These are used in claiming veteran's benefits and obtaining other services for which veterans are eligible.

Bonds and stock certificates - to prove ownership of securities. These are needed in the sale of securities and in case of disputes about dividend payments, etc.

Important Contracts - constitute written proofs of agreement between you and other parties.

Household Inventory - a record of exactly what you have and what it was worth. These are needed for insurance purposes in case of fire or theft.

Items to be Kept in an "Active File" in Your Home

Tax Receipts - receipts of taxes paid. These are needed for reporting to IRS.

Unpaid Bills - Notices of money you owe from utility companies, department stores, apartment managers, etc. These are to remind you to pay them.

Paid Bill Receipts - receipts for what you have paid. Receipts for major purchases should be attached to your household inventory, to show insurance company in case of loss. Keep other receipts for a short time in case you might want to return the item.

Current Bank Statements - A monthly record of your banking activities (checks paid, bank fees, interest accrued, etc.) sent to you by your bank. Keep them for referral, in case of bank error - or your own error.

Current Cancelled Checks - checks you wrote that have cleared your bank and are enclosed with your monthly statement. Keep these to prove payment in case of question. Some checks (such as those for medical expenses) constitute important proof in claiming income tax deductions.

Copies of Federal and State Income Tax Returns - that are sent to the IRS when you file your income taxes. Keep copies at least six years to substantiate what you reported to IRS.

Income Tax Working Papers - records of your calculations for determining your income taxes. Keep with returns to show how you arrived at reported figures, if there is a question.

Employment Records - records of proof of employment, termination notices, fringe benefits information, letters of recommendation, resumes. These will help in job hunting, filing income taxes, etc.

Health Benefit Information - records of your health insurance, your costs and reimbursements. May be needed for income tax purposes.

Credit Card Information - your monthly credit card bills, contracts, credit card numbers, etc. These are necessary to settle disputes over bills, or to report a lost or stolen card.

Family Health Records - especially important in case of new doctor or clinic, to give needed and accurate information.

Appliance Manuals and Warranties - manuals should be kept to show how to operate appliances; warranties should be kept until expiration date in case of possible necessary repairs.

Receipts of Items Bought Under Warranty - proof of purchase. These may be required for obtaining refunds, repairs on defective purchases.

Education Information - high school and college diplomas, grade transcripts. These are needed for applications for further education; often needed for job applications.

Inventory of What's in Your Safe Deposit Box - a list of items may help your executor or guardian in case of your death or disability.

Loan Statements - a statement from your lending institution stating amount and conditions of a loan. These are needed for paying off a loan, changing conditions, etc.

Loan Payment Books - Necessary to keep track of how much you have paid and how much you still owe.

Receipts of Expensive Items Not Yet Paid For - to show ownership, date and conditions of payment.

Passport - a book showing your citizenship, travel record. It is needed for travel outside U.S.; also good for identification.

Social Security Card - a card showing your Social Security number. This number is needed for employment, on your income tax form, and to claim Social Security benefits among other things.

Burial Instructions - a legal document to be used by your family and/or executor after your death to follow your wishes.

Items That Can be Kept in Dead Storage

"Active File" papers more than 3 years old can be stored in a less convenient place. But don't throw them away. They may be needed, for example, when you sell a house, to save your estate money after your death, or to support your case if your tax return is audited.

Exceptions: Passport (should be kept in your Active File until expiration date, usually 5 years, to remind you to renew it)

Social Security Cards
Burial Instructions
} .. Always kept in the Active File

Items to be Discarded

Salary Statements (after checking your W-2 form)
Cancelled Checks for cash or non-tax-deductible expenses
Expired Warranties
Expired Licenses
Expired Coupons, Lottery Tickets, etc.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

ESTIMATING FIXED AND SEMI-FIXED EXPENSES (Including Savings)

We've dealt with money coming in (income); but what about money going out--our expenses? Expenses are generally divided into three large categories: fixed, semi-fixed, and discrectionary.

Fixed and semi-fixed expenses are those that must be paid--and most often paid on a regular basis. How frequently payments are made varies depending on what is being paid for. The bill for telephone service, for example, is due once a month, while child day care service may be payable daily, weekly, or monthly, depending on your particular arrangement. Since this is the case, the charts on the following page have the same WEEKLY, MONTHLY, QUARTERLY, and ANNUAL columns we used when estimating annual income.

For a payment made each week, write the dollar amount of that average weekly expense in Column 1 (WEEKLY) and multiply that figure by 52 to find the 12-MONTH TOTAL; similarly, the dollar amount of average monthly, quarterly, and once-a-year payments go into Columns 2, 3, or 4--and are multiplied by the appropriate numbers to arrive at the 12-month totals.

To find out, according to your best estimates, what the total amount is that you will pay for fixed (and semi-fixed) expenses this year, add up Column 5.

Before you begin, read through the expense categories listed on the charts and if any of your currently fixed or semi-fixed expenses are not listed, add them at the bottom of the appropriate chart.

* * *

IMPORTANT NOTE: In estimating annual income we underestimated when we were in doubt. Not here! When estimating expenses, the rule of thumb is to slightly OVER-ESTIMATE whenever you are not sure what the exact cost may be. The purpose is the same--to help prevent unpleasant surprises at the end of the year and to help us start 1982 with a cleaner slate, or even a little ahead of the game. Remember the old cliche: Forewarned is Forearmed.

ESTIMATED FIXED EXPENSES (Including Savings) - 1981

EXPENSE CATEGORY	(1) WEEKLY x 52 (once a week)	(2) MONTHLY x 12 (once a month)	(3) QUARTERLY x 4 (once every 3 mon.)	(4) ANNUALLY x 1 (once a year)	(5) 12-MONTH TOTAL
SAVINGS					
INSTALLMENT PLAN PAYMENTS					
LOAN PAYMENTS					
UNION DUES					
REGULAR CHILD DAY CARE					
SCHOOLING (for any family member)					
INSURANCE PREMIUMS					
RENT					

TOTAL ESTIMATED FIXED EXPENSES FOR 1981.....$

ESTIMATED SEMI-FIXED EXPENSES - 1981

EXPENSE CATEGORY	(1) WEEKLY x 52 (once a week)	(2) MONTHLY x 12 (once a month)	(3) QUARTERLY x 4 (once every 3 mth.)	(4) ANNUALLY x 1 (once a year)	(5) 12-MONTH TOTAL
TELEPHONE					
UTILITIES (gas, electricity, water)					
WORK/SCHOOL COMMUTING COSTS					
FOOD					
MEDICAL, DENTAL					

TOTAL ESTIMATED SEMI-FIXED EXPENSES FOR 1981.....$

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN

"There Has to be Another Way"

A TYPICAL PROBLEM

You want a new shirt for work. A store in your neighborhood has one that is just what you had in mind. While the price is right, $18.00 not including the 8% sales tax, the store is open only from 9:00 a.m. to 6:30 p.m., Money through Friday. To buy the shirt here you'll have to go directly from the office, which means paying the baby sitter for an extra hour.

Happily, you see in the newspaper that the same exact shirt is on sale at another shop for 20% off (plus tax). That store is open from 10:00 a.m. to 6:00 p.m. on Saturday and Sunday only, and it's two buses and 20 minutes away from home. If you go on the weekend it means either taking the baby or hiring a sitter at $1.50 an hour.

If you were to decide where to buy the shirt on the basis of money alone, how much would the shirt cost you at each store?

©CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

(EVERYDAY) PERCENTAGES!

Percentages (%) seem to appear almost everywhere. We have a sales tax of eight percent (8%), interest rates of 18 percent (18%), and 25 percent discounts (25% off).

Working with percentages requires that we know that <u>percent means hundredths</u>. So:

25% = 25/100 (25% = twenty-five hundredths)
15% = 15/100 (15% = fifteen hundredths)
5% = 5/100 (5% = five hundredths)

Dividing by 100 has the effect of moving the decimal point <u>two digits to the left</u>. (Note the invisible decimal in 25 is 25.) So:

25% = 25/100 = .25
15% = 15/100 = .15
5% = 5/100 = .05

We can even skip the middle step (which is always a fraction with 100 in the denominator) and just remember to MOVE THE DECIMAL POINT TWO PLACES TO THE LEFT WHEN YOU ARE CONVERTING A PERCENT TO A DECIMAL.

For example, 35% = 35. = .35
60% = 60. = .60
8% = 08. = .08

Try: 3% =
52% =
17.5% =
106% =

(Please turn over)

Changing a decimal to a percent means doing exactly the opposite of what we have just done.

TO CHANGE A PERCENT TO A DECIMAL, MOVE THE DECIMAL POINT TWO PLACES TO THE RIGHT.

For example:

.5 = 50.% = 50%
.75 = 75.% = 75%
.125 = 12.5% = 12.5% = 12 1/2%
1.5 = 150.% = 150%

Here are some more challenging problems:

Convert 1/2% to a decimal:

To do this, first change 1/2 to a decimal (.5), and then move the decimal point two places to the left

1/2% = .5% = .005

Also

1/4% = .25% = .0025

Convert 3/8 to a percent:

To do this, first change 3/8 to a decimal and then move the decimal point two places to the right:

3/8 = .375 = 37.5 = 37.5%

CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

(EVERYDAY) FRACTIONS!

From everyday experience, we are used to seeing fractions like 1/2 or 1/4. Other fractions, like 1/12 or 1/52, are less familiar but still important.

All fractions can be handled in a similar way if we do the following: Imagine 1/2 as saying "A whole pie has been cut into 2 equal pieces and I have 1 of them." Then draw the sentence:

1/2

3/4 then reads: "A whole pie has been cut into 4 equal pieces and I have 3 of them." Draw the pie:

3/4

Fractions like 2/3 or 5/7 convey a similar meaning--that is, the concept is the same--they are just harder to draw. 2/3 says a whole pie has been cut into 3 equal pieces and I have 2 of them. 5/7 says a whole pie has been cut into 7 equal pieces and I have 5 of them. These concepts are drawn like:

2/3 5/7

In order to compare fractions, we again think of their meaning. For example, which is larger 1/3 or 1/4? In the first fraction, the whole pie has been divided into 3 equal pieces and you have one. In the second fraction (1/4), the whole pie has been divided into 4 equal pieces and you have one. More pieces means each individual slice is smaller, so 1/3 represents a larger quantity than 1/4.

1/3 or 1/4

What about 1/12 compared with 1/13? Well, 1/12 is a thin sliver of pie, but 1/13 is an even thinner sliver:

1/12 1/13

So 1/12 is larger.

In summary, when the tops of two different fractions are the same, the one with the smaller bottom will be larger. So 1/26 is larger than 1/32, and 3/4 is larger than 3/8.

(please turn over)

In terms of budgeting money, there are certain fractions that are commonly referred to: 1/2, 1/4, 1/12, 1/52.

1/2 = half a year or six months (26 weeks)
Payments due twice a year (due biannually or semiannually) are to be paid once every half year.

1/4 = a quarter of a year or 3 months
Payments due quarterly are paid four times per year (once every 3 months)

1/12= One twelfth of a year or one month
Payments due monthly are paid twelve times per year (once every month).

1/52= One fifty-second of a year or one week
Payments due weekly are paid 52 times a year (once a week).

There is a longer period of time between payments that are due every 1/2 year than between payments due every 1/4 year.

©CASE/IRDOE. 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

(EVERYDAY) DECIMALS

We can think of decimals as being a code for us to break. The best way to break the code is by example:

The meaning of .2 is 2/10
The meaning of .3 is 3/10
The meaning of .7 is ?

The meaning of .01 is 1/100
The meaning of .07 is 7/100
The meaning of .23 is 23/100
The meaning of .71 is ?

The meaning of .001 is 1/1000
The meaning of .079 is 79/1000
The meaning of .123 is 123/1000
The meaning of .098 is ?

We are now ready to break the code which involves turning decimals into fractions.

Count the number of <u>digits</u> (including zeros) <u>to the right of the decimal point</u>. That gives the number of zeros following a 1 in the denominator (bottom) of the fraction. For example, .079 has 3 digits after the decimal point (to its right), so the denominator is 1,000. The numbers of the decimal go on the top (numerator) of the fraction.

For example, .0025 = 25/10,000 (4 digits after the decimal point gave 4 zeros after the 1 in the denominator. The numbers 25 go on the top.)

(please turn over)

So changing decimals to fractions is really not too bad.

To change fractions to decimals is not bad either. There is a standard procedure, just like long division, that does this for us.

1/2: To change this to a decimal divide the 2 into the 1. To do this first write: $2\overline{)1}$. This can't be done but we can write 1 as 1.00 and then do the division $2\overline{)1.00}$. Line up the decimal point in the answer just above the original decimal point and then do a regular division:

```
   .50
2) 1.00
  -1 0
   00
```

So 1/2 = .5 or .50

Here's another example: Change 3/8 to a decimal:

```
   .375
8) 3.000
  2 4
   60
   56
    40
    40
```

©CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

MATH GAMES WE PLAY ON OURSELVES*

- Everybody knows what to do, except me.
- I don't do math fast enough.
- I'm sure I learned it, but I can't remember what to do.
- I knew I couldn't do math.
- I don't have a math mind.
- I got the right answer but I did it the wrong way.
- This may be a stupid question but...
- It's too simple.
- Math is unrelated to my life.
-
-
-
-
-

---

*Mind Over Math by S. Kogelman and J. Warren. New York: McGraw-Hill Book company, 1978. $3.95. Used with the author's permission.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

WHAT'S LEFT OVER

As we have seen, our fixed and semi-fixed expenses are those that, whether we like it or not, must be paid. Although we may find ways to decrease the amount of money we pay out in some of these categories (especially those we've labeled semi-fixed) we can rarely get rid of them entirely.

Now that we've estimated what our income will be for 1981, and how much those "must pay" expenses add up to, this worksheet will help us calculate the amount of this year's income that will be left over for our day-to-day (Discretionary) expenses for items like clothing, entertainment, furniture, etc.

Instructions:

- On line 1 below, write in your TOTAL ESTIMATED FAMILY INCOME for 1981 (final total from worksheet #2.3)
- On line 2, write in the total amount of your estimated 1981 FIXED EXPENSES (from worksheet #3.5).
- Subtract the amount on line 2 from the amount on line 1 and enter the answer on line 3.
- On line 4, fill in the total amount of your estimated 1981 SEMI-FIXED EXPENSES (from worksheet #3.5).
- Subtract the amount on line 4 from the amount on line 3 and enter the answer on line 5.

That's it. The figure that appears on line 5 represents the total amount of money available during 1981 for day-to-day (Discretionary) expenses. To find out what this comes to each month, on the average, divide line 5 by 12 and enter the answer on line 6. How we use "what's left over" is up to us.

1.	Total Estimated INCOME (from worksheet #2.3)	$	(1)
		(-)	
2.	Total Estimated FIXED EXPENSES (from worksheet #3.5)	$	(2)
3.	INCOME left after deducting FIXED EXPENSES (Subtract line 2 from line 1)	$	(3)
		(-)	
4.	Total Estimated SEMI-FIXED EXPENSES (from worksheet #3.5)	$	(4)
5.	TOTAL AMOUNT AVAILABLE FOR DISCRETIONARY EXPENSES (subtract line 4 from line 3)	$	(5)
6.	Average MONTHLY amount available for Discretionary Expenses (divide line 5 by 12)	$	(6)

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

IT'S UP TO ME: DISCRETIONARY EXPENSES

Discretionary expenses are those over which we have the greatest amount of direct control. We decide not only when we will buy these types of items, but also how often we will buy them and how much we will pay for them.

Because we have such flexibility in making discretionary spending decisions, and because these decisions are so closely tied to our personal needs and priorities, our purchases in these areas typically do not follow a regular schedule (as our fixed and semi-fixed payments do). Therefore, it is often a challenge to pin down exactly how much we actually spend in any particular discretionary expense category over the course of a year.

However, since discretionary expenses consume somewhere between 40 and 50 percent of the "average" family's annual income, and a money manager needs to understand where all of her money goes in order to direct her spending to achieve her goals, it is important for us to have a clear picture of our discretionary spending patterns as well as of our fixed and semi-fixed spending. With a complete expense picture before us, we are in a position to decide if we like what we see--if, in fact, we are spending our money the way we really want to--or whether we want to make changes so that our spending habits are more in line with our personal goals.

The chart on the following page will help us estimate our discretionary expenses for this year and complete our overall expense picture. The chart's format will be familiar--it's the same as the ones you used to estimate your annual family income and your fixed and semi-fixed expenses. If you have a category of discretionary expenses that is not listed, add it to the bottom of the chart.

ESTIMATED DISCRETIONARY EXPENSES - 1981

DISCRETIONARY EXPENSE CATEGORY	WEEKLY X 52	MONTHLY X 12	QUARTERLY X 4	ANNUALLY X 1	12-MONTH TOTAL
FURNITURE & MAJOR APPLIANCES					
HOUSEHOLD ITEMS (glasses, towels, sheets, etc.)					
LAUNDRY, DRY CLEANING, SHOE REPAIR					
CLOTHES: Adults					
Children					
PERSONAL CARE (cosmetics hairdresser, etc.)					
RECREATION: Magazines, books, newspapers					
Movies					
Entertaining					
Vacations					
CHILDREN'S ALLOWANCES					
BABYSITTERS (not associated with work/school)					
SCHOOL SUPPLIES					
GIFTS & CONTRIBUTIONS					
REPAIRS/SERVICES (home, car, appliances)					
PET CARE/SUPPLIES					
CIGARETTES/LIQUOR					

1981 TOTAL ESTIMATED DISCRETIONARY EXPENSES ..... $_____

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

HOW CAN I CUT MY EXPENSES?

Now that you have estimated how much you expect to spend on what this year -- your fixed, semi-fixed, and discretionary expenses -- it's time to start thinking of ways these expenses might be reduced. Where and how spending can be cut depends on three things: (1) how easily costs can be reduced (some expenses, like loan payments for example, cannot be altered); (2) which expense categories you don't want to cut back in and which you do; and (3) the range of possible alternatives you might have. This worksheet will help you make these determinations.

The left-hand columns of the next two pages list all of the categories we used to estimate this year's expenses. (If you added other categories to your worksheets #2.4 and #4.1, add them here too.) The next three columns we have used to check how possible it might be to reduce expenses in each category.

For categories that have an "X" in the MAYBE or YES column, there are four general strategies or methods you might use to guide your thinking about actions that could be taken to reduce costs:

- You could <u>substitute</u> by buying goods or services that serve the same purpose as something you now buy but which cost less.
- You could <u>comparison shop</u> to spend less for the same type of item by buying it in a certain place or at a certain time of year.
- You could <u>cut back</u> on the amount of goods and/or services you buy.
- You could <u>eliminate</u> purchases that you can live without.

In each case, the strategy you adopt should reflect your individual values and goals. YOU decide how important each of your current expenses are to you, and which ones you would be willing to alter, cut back, or eliminate.

The chart also includes several examples of how spending might be reduced by adopting different strategies... just to start you thinking. The point is to come up with approaches that suit you best. By thinking of different ways you may be able to cut back costs in each expense category you will also get a better picture of the number of options that are available to you.

[FIXED EXPENSES]	Can This Expense be Reduced? NO	MAYBE	YES	Methods for Reducing Expenses: SUBSTITUTE	COMPARISON SHOP	CUT BACK	ELIMINATE
SAVINGS		X					
INSTALLMENT PLAN	X						
LOAN PAYMENTS	X						
UNION DUES	X						
RENT		X					
REGULAR CHILD CARE		X		Barter with a friend	center vs. private sitter vs. relative	use fewer number of hours of outside care	work at home or bring child to work with you
SCHOOLING		X					
INSURANCE PREMIUMS	X	X					

[SEMI-FIXED EXPENSES]							
TELEPHONE			X	call long distance after 11 p.m.	buy phone instead of renting from company	make fewer calls, write more letters	discontinue phone service
UTILITIES (gas, electricity, water)			X				
WORK/SCHOOL COMMUTING COSTS		X					
FOOD			X				
REGULAR MEDICAL AND DENTAL		X					

[DISCRETIONARY EXPENSES]							
FURNITURE & MAJOR APPLIANCES			X				
HOUSEHOLD ITEMS			X				
LAUNDRY, ETC			X				
CLOTHES: Adults			X				

	Can this Expense be Reduced?			Methods for Reducing Expenses			
[DISCRETIONARY EXP.]	NO	MAYBE	YES	SUBSTITUTE	COMPARISON SHOP	CUT BACK	ELIMINATE
CLOTHES: Children			X				
PERSONAL CARE			X				
RECREATION: books, papers, magazines			X				
Movies			X	Watch TV instead of going to movies	Find a discount movie house	Go to movies once instead of twice a month	Stop going to the movies
Entertaining			X				
Vacations			X				
CHILD ALLOWANCES		X					
SITTERS (not work/ school related)			X				
SCHOOL SUPPLIES			X				
GIFTS & CONTRIBU-TIONS			X				
REPAIRS/SERVICES		X					
PET CARE/SUPPLIES			X				
CIGARETTES/LIQUOR			X				

©CASE/IRDOF, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

BEFORE YOU BUY....

ASK YOURSELF THE FOLLOWING QUESTIONS:

		Circle answer	
1.	Do I need this item?	Yes	No
2.	Have I checked or researched this product?	Yes	No
3.	Is the price reasonable?	Yes	No
4.	Is this the best time to buy this item?	Yes	No
5.	Is there some other item that I could substitute for this one that would work as well?	Yes	No
6.	If it's on sale, is the price a true sale price?	Yes	No
7.	Do I know the reputation of the retailer?	Yes	No
8.	If the item is excessively priced, will it at least satisfy an important inner need?	Yes	No
9.	If this is a bargain, is the item a current model?	Yes	No
10.	Are there disadvantages to this product?	Yes	No

Then score your buying prospects:

If you circled "Yes" 6 - 8 times -- buy the product

If you circled "Yes" 4 - 5 times -- think again

If you circled "Yes" fewer than 4 times -- don't buy the product

Adapted from Financial Planning for Adults, Lawrence W. Erickson (Washington, DC: American Council of Life Insurance), 1978.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

"BEST BUYS" CALENDARS FOR FRESH FFUITS AND FRESH VEGETABLES

Among the many ways of saving dollars at the food market is to buy fresh fruits and fresh vegetables in season, when their quality is good and their prices at their lowest.

Attached are two calendars that indicate the months of the year in which the products listed are of good or excellent quality and available at their lowest prices. These calendars reflect actual market conditions in New York City during the past year.

Keep in mind, however, that even during the months that a fruit or vegetable is considered a "best buy", there will still be significant price differences depending on where it is sold. In January, for example, when a local supermarket is selling 10 navel oranges for $ .89, another store in the same neighborhood may price them at 5 for $1.00. Your calendars will let you know the months in which you can be most sure of finding "best buys," but you will have to look for the markets that offer them.

Another hint: Don't buy the first of a crop -- prices will tend to go down as the supply increases. For example, postpone buying fresh strawberries until May when prices drop sharply from their peak at the beginning of strawberry season in early April -- you may save as much as 50 percent on a pint container.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

"BEST BUY" MONTHS FOR FRESH FRUITS

FRUITS		JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
APPLES:	Delicious, golden										X	X	X
	Delicious, red	X	X	X	X						X	X	X
	McIntosh	X	X	X	X						X	X	X
	Rome	X	X	X									X
BANANAS		X	X	X	X	X						X	X
GRAPEFRUIT (bags)		X	X	X	X	X					X	X	X
GRAPES:	Black Ribier			X	X					X	X		
	Red Emperor			X	X					X	X		
	Seedless			X	X			X	X	X			
LEMONS		X	X	X	X	X	X					X	X
LIMES		X						X	X				X
MANGOS					X	X	X	X					
MELONS:	Cantaloupe						X	X	X	X			
	Cranshaw								X				
	Honeydew								X	X			
NECTARINES							X	X	X				
ORANGES:	small juice	X						X	X			X	X
	small navel	X	X	X	X	X							X
PEACHES							X	X	X				
PEARS:	Anjou										X	X	X
	Bartlett									X	X		
	Bosc	X									X	X	X
PLUMS								X	X	X			
STRAWBERRIES						X	X	X					
TANGELOS		X	X										X
TANGERINES		X	X										X
WATERMELON							X	X	X				

© CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

"BEST BUY" MONTHS FOR FRESH VEGETABLES

VEGETABLE	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
ARTICHOKES				X	X							
ASPARAGUS				X	X							
AVOCADOS	X						X					X
BEAN SPROUTS							X	X				
BROCCOLI				X	X	X				X	X	X
BRUSSELS SPROUTS	X									X	X	X
CABBAGE	X	X	X			X		X	X	X	X	X
CARROTS	X	X	X	X	X					X	X	X
CAULIFLOWER	X										X	X
CELERY		X	X	X				X				
COLLARD GREENS		X				X	X					
CUCUMBERS	X			X	X	X	X	X		X		
EGGPLANT					X	X		X	X	X		
GREEN BELL PEPPERS					X	X	X	X	X	X	X	
MUSHROOMS			X	X						X	X	
ONIONS, YELLOW									X	X	X	
POTATOES: All purpose		X						X	X	X	X	X
Baking		X	X							X	X	
SALAD GREENS:												
Boston Lettuce						X	X	X				
Chicory	X	X	X	X	X	X						
Escarole	X	X	X	X	X	X						
Iceberg Lettuce					X	X	X	X				
Romaine Lettuce	X	X			X	X	X					
SCALLIONS						X	X	X				X
SPINACH					X	X						
SWEET CORN						X	X	X	X			
TOMATOES							X	X	X			
YAMS	X										X	X
YELLOW SQUASH				X	X	X	X	X	X			
ZUCCHINI				X	X	X	X	X	X			

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

HOW DO WE MAKE FINANCIAL TRANSACTIONS?

PLEASE ANSWER THE FOLLOWING QUESTIONS AND BRING THIS WORKSHEET WITH YOU TO SESSION #5.

(1) Below is a list of financial transactions that people commonly make. For each transaction, check the column that best describes how you usually complete it. Then, in the last (far right-hand) column, write in how much, if anything, it costs you to make the transaction. If you pay by personal check, for example, there may be a bank charge for each check you write; a money order also costs something to purchase.

TRANSACTION	Method Used					COST OF TRANS-ACTION
	CASH	MONEY ORDER	CASHIERS OR BANK CHECK	PERSONAL CHECK	CHARGE	
Pay rent						
Pay medical bills						
Make loan payments						
Buy groceries						
Buy clothing						
Pay utility bills						
Buy through mail-order catalogs						
Send money to out-of-town friends or relatives						

(2) How do you usually cash your paycheck?_____

_____.

©CASE/IRDOT 1981

But wait, we may incur still other costs depending on when we pay our bills. What if we don't pay our doctor's bill immediately? Sending our payment later through the mail will add another $.20 (for a stamp) to the cost of our transaction; if we make a special bill-paying trip to the doctor's office we add the cost of our transportation to and from.

CONVENIENCE. Another factor to consider in choosing a method of payment is convenience. Having a ready supply of personal checks may be more convenient than running out to the bank or post office to buy a money order every time you have a payment to make. But since you have to keep enough money in your checking account to cover the checks you write you will probably want your account at a bank that is convenient to get and open at times it's possible for you to make deposits.

Let's go back to the $25 doctor's bill again, and see how convenient each method of payment might be.

- If you pay in cash, where will you obtain it?_____
- If you pay by money order, where and when will you buy it?_____ (consider the location and hours of the bank, post office, etc.)
- If you pay by cashier's check, where and when will you buy it?_____ (consider the location and hours of the bank)
- If you pay by personal check, how convenient is it to deposit money into your account to cover the $25 check?

  -How close is the nearest branch to your home or work?_____

  -What are your bank's hours?_____

  -Can you bank by mail?_____

  -Does your bank have automatic tellers?_____

  -About how long do you usually wait in line to make a deposit?_____

Comparing the four methods, which appears to be the more convenient way for you to make most payments?

SAFETY. Still another factor to consider in how you conduct your financial transactions is safety. When you pay someone in cash, or your cash is lost or stolen, it's gone period. However, if you pay by cashier's check, money order, or personal check and then change your mind, you can stop payment if you act quickly--before the check or money order is cashed--by calling the bank, as you can also do if a money order, cashier's check, or personal check is lost or stolen.

RECORDKEEPING. Finally, as a money manager you will want to consider the ease with which different methods of payment will allow you to keep track of how much you pay out where. Cash payments are the hardest to keep track of, we have no record of how much was spent where (unless, of course, we keep a personal expense diary), and unless we are careful to ask for and keep our receipts we have no proof of payment. Cashier's checks and money orders, on the other hand, have receipts attached to them that we can keep as proof of payment. Personal checks give an opportunity for three types of recordkeeping: the check stub in our checkbook, the monthly bank statement, and our cancelled checks which provide tangible proof of payment.

Although their relative importance will vary according to our personal values and circumstances, keeping in mind the factors of COST, CONVENIENCE, SAFETY, and RECORDKEEPING will help us determine what methods of payment may work best for us.

©CASE/IRDOE. 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

CONVERTING A CHECK INTO CASH: The Do's and Don'ts of Cashing, Endorsing, and Depositing Checks

A check is a piece of paper that represents money. Whether it is a personal check from a friend or family member, a paycheck from an employer, a tax refund, or benefit payment from the government--if the check is made out to you, it can be exchanged for cash, deposited into your bank account, or signed over to someone else. There are a few simple rules to follow to complete these types of transactions. Because there are specific procedures for cashing, endorsing, and depositing checks, you can avoid potentially costly errors by following the steps outlined below.

Where and How to Cash a Check

You can cash your own check or those given you by other people without paying a fee at a variety of places:

- The bank with which you have an account will cash your checks for you. If your bank has several branches, ask for a card that will let you cash checks in any of them. If your bank doesn't issue cards, get your signature on file in all the branch offices you may use. Signature cards save time; without one on file you must have your checks initialed by a bank officer each time you wish to make a deposit or cash a check.
- Checks can also be cashed at grocery stores and drug stores that have check-cashing policies. You must ask for and fill out an application for a check-cashing card that then entitles you to write checks either for the amount of your purchase or for larger amounts, depending on the store.
- Your company may have a policy of cashing checks for their employees, or, if you are a student, your school might have this service.

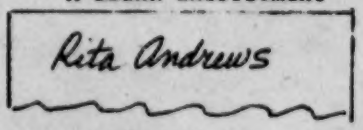
Finally, there are establishments in the business of cashing checks. Avoid them if you can for they charge a fee for each check they cash.

Endorsing a Check

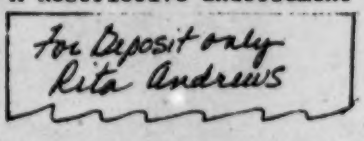
Now, let's look at how to endorse a check correctly. To cash or deposit a check, you must write your signature on the back (that's what an endorsement is).

The four illustrations are examples of how this is done for different types of transactions. Remember, endorse a check only on the left-hand side of the back of the check, exactly as your name appears on the front. If this is not your usual signature, sign the check on the back as it appears on the front and then add your correct signature directly below that.

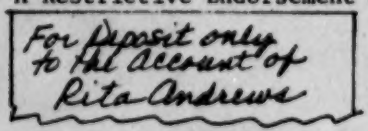
A Blank Endorsement



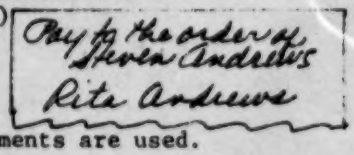
A Restrictive Endorsement (I)



A Restrictive Endorsement (II)



A Special Endorsement (restrictive)



Now let's look at why these different types of endorsements are used.

- A blank endorsement includes only your signature. It is used when you wish to transfer ownership of check made out to cash or to you to another person so they may cash it. Because anyone can cash a check that is endorsed this way, be sure not to add this endorsement until you are ready to give it to the person you want to have the money, or to the bank teller when you want to withdraw cash from your account.
- A restrictive endorsement includes the words "For deposit only" and then your signature. It is used when you wish to deposit a check into your bank account. It is a good idea to write your account number below your name to doubly insure that the check is deposited into the right account.
- A special endorsement, or endorsement in full, is used when you wish to sign the check over to someone else. On the back of the check you write "Pay to the order of" and add the name of the person or organization you want the money paid to. Then sign your own name below. With this type of endorsement, only the person or organization whose name you have written on the check can cash it.

Depositing a Check

To deposit a check into your bank account, use the appropriate endorsement described above. A deposit slip must accompany any check that you deposit. A

typical deposit slip provides a place to write in the amount of money you are depositing in the form of checks, and a place to write in the amount of any cash you may also be depositing. Some banks supply you with personal deposit slips when you open an account. If you don't have these, you can obtain a blank deposit slip from the bank and write in your name, address, and account number.

At most banks, you have a choice of mailing checks and deposit slips to the bank (the bank will supply the envelopes and pay the postage), taking them to the bank personally and giving them to the teller, or depositing them through an automatic teller machine. (Remember: when you deposit by mail--don't send cash!). If you deposit the check with the bank teller or automatic teller machine, you will get a deposit receipt immediately. Be sure to keep this until you receive your next bank statement--to make sure the deposit is shown on the statement.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

Writing Checks and Recording Transactions

Checking accounts can offer significant advantages in terms of convenience, safety and ease of keeping track of your financial transactions. But, to get the most benefit from a checking account, it is important that you fill out your checks correctly and keep careful records of all checks you write. When you use checks, the amount you pay to whom and when is communicated completely by what you write on the check and in your checkbook. If you do not fill out the check correctly or accurately, the whole transaction is thrown off; if you don't enter the information in your checkbook, your record of how much is in your account is thrown off. The best way to guard against mistakes--either yours or the banks--is to keep careful records of your checking activities. This factsheet provides you with the basic--but indispensible-- information you need to know about writing and recording your checks. Please read it carefully.

Rules for Writing Checks

(1) Make sure that every check you write is numbered--the space for this is in the upper right-hand corner. Banks often provide numbered checks; if yours doesn't, write in your own numbers so you can keep track of every check you write.

(2) Date each check properly. A bank may refuse to accept a check that is dated ahead, or to hold it until the date is reached.

(3) Write the name of the person or organization to whom you are writing the check (the "payee") after the printed words "Pay to the order of." It is usually better to name a specific person or organization as payee than to write "Bearer" or "Cash". Why make it easy for the wrong person to cash the check if it's lost. If you want to withdraw money for yourself, make the check out to yourself as payee.

(4) When you write in the dollar amount on the right-hand side of the check, never leave a space between that figure and the dollar sign printed on the check.

(5) On the middle line, write out the amount of the check in words. Start as far to the left as possible so no one can insert a word before it and change the amount. If there is a space between the last word and the word "Dollars" on the check, draw a wavy line in the space. When the amount includes cents as well as dollars, for example, $15.35, write out the word "Fifteen" and then write "and 35/100". When the amount is less than a dollar, for instance, 89¢, it can be written out as "None and 89/100" or "Eighty-nine cents only."

(6) After you have filled out the check, sign it on the last line on the right. Always sign your name exactly the way you signed the signature card when you opened the account.

(7) Never sign a blank check. Write your signature only after all other blanks have been filled in--otherwise someone else can fill in the check for any amount they want to.

(8) Write all checks in ink. While it is legal to use pencil, you run the risk of having someone erase the amount and write in a larger one.

(9) Once the check is written, don't cross out, erase, or change any part of it. If you do, the bank will probably not accept it. Just tear up the check if you made a mistake--and remember to mark the check stub "void" so that you won't get mixed up with your check numbers.

(10) The final rule is: DON'T WRITE A CHECK AT ALL IF YOU'RE NOT SURE YOU HAVE ENOUGH MONEY IN YOUR ACCOUNT TO COVER IT. If you have $20 in your account and you write a check for $35, for instance, the check will "bounce". This means that the payee will not be able to cash the check, the bank will return the check to you marked "insufficient funds", and charge your account (approximately $5) for the trouble.

Rules for Recording Checks and Deposits

Every time you write a check or make a deposit, record it in the stub record that is provided in every checkbook. This is the way to keep an accurate record of your bank account, and of checking your figures against the bank statement you receive

every month. It's a good idea to fill out the stub even before you write the check, just to make sure you don't forget to do it. You should record:

- the number of the check
- the date
- the amount of the check
- the name of the person or company to whose order the check is to be paid
- a note explaining what the payment is for (optional but very helpful)

The above information will give you an up-to-date record of the flow of money in and out of your checking account and of exactly how-much-you-paid-to-whom-when.

©CASE/IRDOE, 198

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

HOW TO BALANCE YOUR CHECKBOOK

If you have a checking account, your bank sends you each month an envelope containing your cancelled checks (checks you have written that your bank has paid) and a statement that lists all of your (1) checks that have cleared the bank that month, (2) cash withdrawals, (3) deposits, (4) any service charges or interest you may have accrued, and (5) the total left in your account (the "final balance") as of the date of the statement. To "balance your checkbook", all you have to do is to compare this statement with the record of bank transactions you have been keeping in your checkbook to make sure the bank's record matches your own.

If your record doesn't agree with the bank's, it may be that you calculated incorrectly, omitted or inaccurately recorded a bank transaction, or that your bank made a mistake. If your statement doesn't "balance", the first thing to do is to double check to make sure your records are accurate. If you think your bank has made a mistake, contact a bank officer to make sure the error is corrected. Since errors can cost you money (particularly if you assume incorrectly that you have more money in your account than you actually do), it is important to balance your checkbook as soon as possible after you receive your monthly statement.

Sometimes people throw up their hands when it comes to balancing their checkbook, often because there appear to be so many items--the cancelled checks, the statement, and their own transaction record--to contend with. However, if you follow a few specific steps, it is really quite simple and the result is rewarding. It's a good feeling to know that your account is in order and that you know exactly how much money you have available, how much remains to be withdrawn (i.e., outstanding checks), and how much more is in your account than appears on the statement (i.e. deposits that haven't yet cleared). Balancing your checkbook is another way of staying in control of your financial situation.

Five Easy Steps to Balancing Your Checkbook

When you receive your bank statement, you will notice that your checks, deposits, etc. are listed on the front, and that the back provides a worksheet to help you do your calculations. Many people use this worksheet, others use a separate piece of paper, or make their calculations right in their checkbook. Do whatever is easier for you. To see if the bank's figures match your own, here's what to do:

1. Take all the cancelled checks your bank has returned and put them in order by number--so you can see which ones are missing. When you have done this, check the dollar amount written on each check against the amount that appears for it on your statement--to make sure you and the bank have recorded the same amount for each cancelled check.

2. Look through your checkbook record to find the number and the amount of each check that was not returned to you. These are your "outstanding checks"--checks you have written that have not been cashed yet or cashed after the closing date on your statement. Write down the amount of each outstanding check (plus any cash withdrawals you may have made after the closing date) and add them up.

3. Take the sum (of the outstanding checks) that you calculated in Step 2, and subtract it from the "final balance" amount that appears on the front of your statement.

4. Then turn to the front of your statement and check all of the deposits listed against your checkbook record--to see if all the deposits you made are listed. Those you made after the closing date on the statement will not be included on this month's statement. Add up the total amount of all deposits not listed and add them to the amount you calculated in Step 3.

5. The amount you now have (the sum of your outstanding checks subtracted from the bank's "final balance", plus any outstanding deposits) is your final balance--the amount of money in your checking account as of the closing date of your statement. It should be the same as the latest balance that appears in your checkbook record. If it is not...

Don't panic! It is very easy to make small mistakes somewhere along the line--in recording a check or deposit, in adding or subtracting figures in your checkbook record and/or in doing your balancing calculations. Go back and recheck all your figures--in today's calculations first, then in your checkbook record; make sure each cancelled check that came with your statement is included in your checkbook record, that all cash withdrawals were recorded. Take your time. When you have done all this and the accounts still don't agree, contact your bank.

© CASE/IRDOE

THE IMPORTANCE OF INTEREST RATES

(assuming a deposit of $50 a month, compounded daily)

Interest rate	After 1 year	After 3 years	After 5 years	After 10 years	After 20 years
4½ %	$615.13	$1,932.88	$3,376.53	$7,618.34	$19,641.57
5	616.84	1,948.41	3,422.06	7,831.35	20,832.93
5¼	617.70	1,956.25	3,445.16	7,940.88	21,463.05
5½	618.55	1,964.11	3,468.42	8,052.13	22,115.27
6	620.28	1,979.99	3,515.63	8,281.10	23,496.83
6½	622.01	1,996.02	3,563.61	8,518.04	24,982.45
7	623.74	2,012.22	3,612.46	8,763.73	26,583.82
7½	625.48	2,028.60	3,662.20	9,018.48	28,310.47
8	627.23	2,045.16	3,712.83	9,282.67	30,173.06

WHAT COMPOUND INTEREST ADDS

(saving $50 a month at 5¼ percent interest, compounded daily)

Year	Your total deposits	Amount of interest paid	Total savings
1	$ 600	$ 17.70	$ 617.70
3	1,800	156.25	1,956.25
5	3,000	445.16	3,445.16
10	6,000	1,940.88	7,940.88
20	12,000	9,463.05	21,463.05

A PLAN FOR SAVINGS

(at 5¼ percent interest, compounded daily)

If you want this amount	Save This Amount Monthly For 3 years	For 5 years	For 10 years	For 15 years	For 20 years	For 25 years
$ 1,000	$ 25.56	$ 14.51	$ 6.30	$ 3.62	$ 2.33	$ 1.59
2,000	51.12	29.03	12.59	7.24	4.66	3.18
3,000	76.68	43.54	18.89	10.86	6.99	4.77
4,000	102.24	58.05	25.19	14.48	9.32	6.36
5,000	127.80	72.57	31.48	18.11	11.65	7.95
6,000	153.35	87.08	37.78	21.73	13.98	9.54
7,000	178.91	101.59	44.08	25.35	16.31	11.13
8,000	204.47	116.10	50.37	28.97	18.64	12.72
9,000	230.03	130.62	56.67	32.59	20.97	14.31
10,000	255.59	145.13	62.97	36.21	23.30	15.90

HOW FAST SAVINGS BUILD*

(at 5¼ percent interest, compounded daily)

Weekly deposit	After 1 year	After 3 years	After 5 years	After 10 years	After 20 years
$ 5	$ 267.16	$ 845.95	$1,489.54	$ 3,431.89	$ 9,265.67
10	534.32	1,691.89	2,979.08	6,863.37	18,531.35
15	801.48	2,537.84	4,468.62	10,295.06	27,797.02
20	1,068.63	3,383.79	5,958.17	13,726.74	37,062.70
25	1,335.79	4,229.74	7,447.71	17,158.43	46,328.37

*All tables were provided by the Bowery Savings Bank, New York, N.Y.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

Borrowing and Buying on Credit: Yes or No?

What can you do if you want to buy something but lack the cash? You have a choice: you can forget it, postpone the purchase until you have the cash available, or you can buy it now on credit.

Before discussing some wise and not-so-wise reasons for using credit let's get one thing straight: using credit is likely to add to the price of your purchase. The only way to ensure that you will not pay more than the price of the item is to use cash or depending on the type of credit you are using, to pay back the entire amount when you get your first bill. Unfortunately, the cheapest option is not always the most feasible.

Provided you can afford the additional cost, there is certainly nothing wrong with using credit. But remember that when you decide to buy something on credit you are often also choosing to pay for the privilege of using someone elses money (the bank's, the company's) to do so.

In certain situations, the decision to use credit can be a sound one; under other conditions, however, it might not be such a good idea. Let's look at some of the right reasons first.

IT MAY BE THE RIGHT TIME TO BORROW OR BUY ON CREDIT WHEN

- ...you are starting out--either establishing a household, beginning a family, or opening a business. These types of major life events will take a lot of money and can teach you how to use credit wisely and to your best advantage.

- ...you must make some major purchases. Big-ticket items are traditionally bought with credit. Few people can buy a car out of cash on hand and many cannot buy furniture or appliances that way either. As for a house, credit is virtually a necessity for those who make that type of purchase.

- ...you are faced with an emergency. For those who have not yet accumulated a sufficient emergency cash fund, borrowing to meet emergencies is as valid a reason as there can be.

- ...there are attractive seasonal sales or specials on which you can save money. If the items on sale are ones that you really want or need, it may be worthwhile to use a charge account or time-payment plan or get a low-cost loan from a financial institution to buy these items now while they are on sale.

- ...you need money for college or other educational expenses. Here you are making an investment in your (or your children's) future. In fact, with the rising costs of higher education, borrowing for college is becoming the norm.

- ...the price of an item is heading sharply higher. If this is an item you will need in the future, it is wise to try to beat the price rise by using credit to buy it now, and repaying with cheaper dollars.

Hower, there are other times when the consequences of using credit outweigh the benefits. Here are some situations to watch out for.

IT MAY BE THE WRONG TIME TO BORROW WHEN

- ...you haven't a reasonable prospect of repaying. It is tempting to go ahead and borrow because you need money or want to buy something now, but you will pay dearly in the long run if you can't keep up the payments.

- ...you are borrowing to the very hilt of your capacity to repay. This is dangerous because any minor miscalculation on your part could force you to default.

- ...you are buying something on impulse--the item is attractive, the payment terms appear easy, and you are offered a long time to pay up.

- ...you are charging purchases solely to boost your morale. Some people try to beat boredom or the blues with an extravagant shopping spree. Doing this on credit can really bring on a depression when the bills--with interest--finally come due.

- ...you are using credit to increase your status. Credit alone cannot raise your standard of living and, in the long run, will diminish it because of all the money you will spend on interest payments.

- ...you tend to overuse credit and fail to maintain an adequate cash reserve. People who do this tend to live in a constant state of uncertainty--they build up little or no savings to use during medical or other emergencies and are hard hit by any unexpected financial reversal.

- ...you are using credit to buy what you want now because you expect a salary increase or windfall cash in the future. What if your expectations don't come true--then you're really stuck.

- ...you are borrowing to gamble on some exceedingly risky venture. The fact that you have to borrow means that this is not extra money you can afford to lose. While it may be wise to invest in something that you have thoroughly investigated and feel confident about, borrowing to gamble is begging for trouble.

- ...you are living so far beyond your income that you have to borrow to meet your current bills. You are headed for trouble if you must pile up debts just to manage your day-to-day living.

Your personal financial decisions are yours and yours alone. No one else is in exactly your situation. Therefore, a right time for you to use credit may be the wrong time for someone else, and vice versa. The above are not hard and fast rules, but guidelines to keep in mind when you make your credit decisions.

CASE/IRDOE, 1981

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

WHEN YOU USE OPEN-END CREDIT, YOU SHOULD KNOW THAT ...

CREDITORS MUST TELL YOU THE METHOD THEY USE TO CALCULATE YOUR FINANCE CHARGE.

Creditors use a number of different systems to calculate the balance on which they assess Finance Charges.

Some add Finance Changes after subtracting payments made during the billing period. This is called the adjusted balance method.

Other creditors give us no credit for payments made during the billing period. This is called the previous balance method.

Under a third method -- the average daily balance method -- creditors add your balances for each day in the billing period and then divide by the number of days in the billing period.

Here's a sample of three billing systems:

	Adjusted Balance	Previous Balance	Average Daily Balance
Monthly Interest Rate	1½%	1½%	1½%
Previous Balance	$400	$400	$400
Payments	$300	$300	$300 (payment on 15th day)
Interest Charge	**$1.50** ($100 x 1.5%)	**$6.00** ($400 x 1.5%)	**$3.75** (average balance of $250 x 1.5%)

As the example shows, the Finance Charge varies considerably for the same pattern of purchases and payments.

Source: Board of Governors of the Federal Reserve System (Washington, DC), Consumer Handbook to Credit Protection Laws, 1980

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

A COMPARISON

Even when we understand the terms a creditor is offering, it's easy to underestimate the difference in dollars that different terms can make.

Suppose you're buying a $5,000 car. You put $1,000 down, and need to borrow $4,000. Compare these three credit arrangements:

	APR	Length of Loan	Monthly Payment	Total Finance Charge	Total Cost
Creditor A	11%	3 years	$131	$ 716	$4,716
Creditor B	11%	4 years	$103.50	$ 968	$4,968
Creditor C	12%	4 years	$105.50	$1,064	$5,064

How do these choices stack up?

Source: Consumer Handbook to Credit Protection Laws, Board of Governors of the Federal Reserve System, Washington, DC, 1980.

The answer depends partly on what you need.

The lowest cost loan is available from Creditor A.

But if you were looking for lower monthly payments, you could get them by paying the loan off over a longer period of time. However, you would have to pay more in total costs. A loan from Creditor B -- also at an 11 percent APR, but for four years -- will add over $250 to your finance charge.

If that four-year loan were available only from Creditor C, the APR of 12 percent would add another $96 to your finance charges as compared with Creditor B.

Other terms -- such as the size of the down payment -- will also make a difference. Be sure to look at all the terms before you make your choice.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

SHOPPING FOR A LOAN

Here's another example of loan costs and why comparison shopping is important.

You're buying a new car, and after making your down payment you need to borrow $3,000. You want to pay back the loan in three years and are now seeking someone to finance your loan.

The salesman who sells you the car says he can finance the loan at 13½% interest, which means a monthly payment of $102. Over the next three years you will pay $3,665 for the car ($665 in interest payments). Some people might grab that offer, but you decide to go to your bank next.

The bank manager agrees to give you a car loan at just 11% interest, which means monthly payments of $98 and a total cost of $3,536 -- or $129 less than the previous loan offer. You grab it.

But perhaps you should have kept shopping, especially if you belong to a credit union, have a time-deposit account with a bank, or have a whole-life insurance policy against which you can borrow. The following chart illustrates how comparison shopping for a loan can pay off. It could mean a difference of $286 to $1,018 in finance charges over three years.

Cost of a $3,000 Auto Loan over Three Years

TYPE OF CREDIT	RANGE OF ANNUAL PERCENTAGE RATES	AVERAGE ANNUAL PERCENTAGE RATE	TOTAL FINANCE CHARGE
Borrowing against a Whole-Life Insurance Policy	4% to 8%	6%	$286
Passbook Loan	7% to 12%	8½%	$410
Credit Union	9% to 12%	9½%	$460
Bank	10% to 15%	11%	$536
Car Dealer	12% to 16%	13½%	$665
Finance Company	18% to 23%	20%	$1,018

Source: Federal Trade Commission

NOTE: The Annual Percentage Rates (APRs) shown are estimates of 1978 national averages. They are intended only to help you compare rates charged by different types of creditors. The actual maximum APR is usually determined by state law, but some creditors charge less than the maximum. That's why it pays to shop for credit.

The following tips will help you compare the cost of loans and get the best deal you can on credit.

- All lending institutions are required to quote interest rates according to the ANNUAL PERCENTAGE RATE, or APR. Be sure the interest rate a lender quotes you is expressed in terms of APR.

- Remember that the more time you take to pay back what you borrow, the more it will cost you in interest charges.
  Decide on the shortest time period in which you can comfortably pay back a loan; it will save you dollars in the long run.

- Use the telephone to make preliminary calls to find out the current rate being charged by lending agencies in your area.
  Most banks and credit unions expect loan-seekers to come in person to request a loan, but several phone calls should give you an idea of the institutions with which you want to apply for a loan.

- Ask about credit insurance. It's often added into the Finance Charge, but it's usually optional -- which means that in most instances you don't have to buy credit insurance unless you want it. Read the contract. If it says insurance is optional -- don't be tricked into buying it if you don't want it.

- Be sure to jot down the APR and monthly payments you're quoted over the phone or in person, so that you can compare your notes when it's time to pick the best loan offer.

Adapted from: Consumer Handbook to Credit Protection Laws, Board of Governors of the Federal Reserve System, Washington, DC, 1980.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

IF YOU'RE DENIED CREDIT...

Not everyone gets credit whenever they apply for it. A lender may legitimately reject our application if our "credit-ability" (our capacity, character and collateral) does not meet his standards. However, Federal credit laws protect us from being discriminated against on the basis of individual characteristics that have no bearing on our ability to pay back what we borrow. If we are denied credit, there are actions we can and should take to make sure the creditor's test of creditworthiness was applied fairly and impartially and to find out how we might improve our credit rating. If we believe we have been discriminated against, there are some legal avenues open to us.

Information the Creditor Can't Use

The Equal Credit Opportunity Act prohibits the deinal of credit on the following grounds:

- Race, Color, Religion or National Origin
- Age. A creditor may ask your age, but they may not turn you down because of your age if you're old enough to sign a binding contract (usually 18 or 21 depending on State law). The law, however, permits a creditor to consider certain age-related information--such as how long it will be until you retire--because this might have economic consequences.
- Sex. YOU MAY NOT BE DENIED CREDIT JUST BECAUSE YOU ARE A WOMAN. Generally, creditors may not ask your sex on an application form (one exception is on a loan to buy or build a home) or require that you identify yourself as a Miss, Mrs., or Ms.
- Marital Status. You may not be denied credit just because you are married, single, widowed, divorced, or separated, although in some cases the creditor may ask for your marital status. You have a right to your own credit, based on your own credit records and earnings. Your own credit means a separate account or loan in your own name--not a joint account with your husband or a duplicate card on his account. Creditors also may not ask about your birth control practices or whether you plan to have children, and they may not assume anything about those plans. To further protect the married woman, creditors may not consider whether you have a telephone listing in your name since many married women do not. Finally, if you choose to disclose your child support and alimony payments, the creditor must count these as income.

- Public Assistance. You may not be denied credit just because you receive Social Security or public assistance (such as Aid to Families with Dependent Children). But, certain information related to these sources of income could have a clear bearing on creditworthiness (for example, whether you will continue to meet the residency requirements for receiving benefits).
- Because You Exercise Your Rights Under Federal Credit Laws (described below).

A CREDITOR MAY NOT USE ANY OF THE ABOVE GROUNDS AS AN EXCUSE TO DISCOURAGE YOU FROM APPLYING FOR A LOAN, REFUSE YOU A LOAN IF YOU QUALIFY, OR LEND YOU MONEY ON TERMS DIFFERENT FROM THOSE GRANTED ANOTHER PERSON WITH A SIMILAR "CREDIT ABILITY" RATING..

Why You May Be Legitimately Denied Credit

Different creditors use different standards to determine our "credit-ability"--and may arrive at a different conclusion based on the same facts about our income, expenses, credit history, and assets.

We may qualify in all aspects except Credit History which we may lack for one of these reasons:

- we're young and working at our first job.
- we've never lived"on our own" or at least not long enough to have established a good record of rent and utility payments.
- we've paid cash for everything we've bought before, even our car, our furniture and appliances.
- we've relied on someone else's credit standing, such as our parents or our spouse, and have no separate credit history.

Even if we have had credit before, we may be turned down when we apply for a loan or a credit card because:

- we may have too much to pay on our present charge accounts or loans.
- Our income may not be high enough to service another debt obligation.
- Our purpose in requesting a loan or credit may not be in line with our income. (Using credit to raise your standard of living is not a valid purpose.)
- Lenders vary in terms of standards for granting credit, and in the amount of funds they have available to use for certain kinds of loans.

IF YOU BELIEVE YOU HAVE "CREDIT ABILITY", KEEP TRYING. IF YOU SHOP AROUND, YOU MAY FIND A CREDIT SOURCE THAT WILL ACCOMMODATE YOU.

What To Do If You Are Turned Down

Creditors may not delay our application. Under the Equal Credit Opportunity Act, we must be notified within 30 days after our application has been completed

whether it has been approved or not. If credit is denied, this notice must explain, in writing, the specific reasons for denying credit or tell us of our right to request an explanation. We have the same rights if an account we have had is closed.

If you are denied credit, be sure to find out why. Remember, you may have to ask the creditor for an explanation. You can discuss terms with the creditor and ways that you can improve your creditworthiness.

If you think you have been discriminated against under the Equal Credit Opportunity Act, cite the law to the lender. If the lender still says no without a satisfactory explanation, you may contact a Federal enforcement agency (see below) for assistance or bring legal action.

Where to File Complaints About Credit Discrimination and Unfair Practices

The following federal agencies are responsibile for enforcing all of our credit rights. The particular agency you contact to obtain information or to report a complaint will depend on the type of creditor involved.

- If a retail store, department store, consumer finance company, gasoline credit card, travel and entertainment card, or a state chartered credit union is involved, contact:

  Federal Trade Commission
  2243-EB Federal Building
  New York, NY 10007
  (212) 264-1207

- If it is a nationally chartered bank involved, contact:

  Comptroller of the Currency
  Consumer Affairs Division
  Washington, DC 20219

- If it is a state chartered bank and a member of the Federal Reserve System, contact:

  Board of Governors or the Federal Reserve System
  Division of Consumer Affairs
  Washington, DC 20551

- If it is a state chartered bank and is insured by the Federal Deposit Insurance Corporation, but is not a member of the Federal Reserve System, contact:

  Federal Deposit Insurance Corporation
  Office of Bank Consumer Affairs
  Washington, DC 20429

- If a federally chartered or federally insured (FSLIC) savings and loan association is involved, contact.

  Federal Home Loan Bank Board
  Washington, DC 20552

- If a federally chartered credit union is involved, contact:

  National Credit Union Administration
  Division of Consumer Affairs
  Washington, DC 20456

- On a state level, contact:

  The Attorney General's Office
  State Banking Department
  (Address should be listed in the phone book)

Before you contact these agencies, ask the credit grantor who has refused you credit to furnish you with the name and address of the credit bureau that issued a negative report to them. This is a much simpler procedure, and you should find the management of the credit bureau ready and anxious to show you your credit rating report and willing to correct any erroneous information contained within the report.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

BASIC DO'S AND DON'TS OF CREDIT

Credit definately has it's good points ...

- Credit let's us buy necessities when we're short of cash, and extas when we want them. Without credit we would have to put off buying what would be useful, necessary, or desirable.
- Credit allows us to buy costly items, like a car, without having to save the entire cost in advance.
- Having "credit-ability" gives us a cushion against unforeseen difficulties or emergencies. Without the availability of credit a problem can become even more of a burden.

But, managed poorly, borrowing and buying on credit may become addictive and dangerous to your financial health. Credit, like money, doesn't get us into trouble -- we get ourselves into trouble if we let things get out of control.

The following list of basic "do's" and "don'ts" can help us avoid costly mistakes and protect our credit privileges.

DO'S

- Do always keep in mind that credit costs money.
- Do shop for credit as you shop for any other important purchase, and buy your credit on the best terms for you.
- Do check carefully the maximum amount of credit you can soundly and safely carry.
- Do ask lots of questions about any credit deal you are offered. Insist on a written statement from the salesman showing you all the charges plus the cash cost before you decide to buy.
- Do ask yourself: would I buy the item for this amount of cash if I had the cash right now?
- Do study the installment contract with care and be sure you understand all of it before you sign. When you sign, get a copy of the contract and keep it in a safe place.
- Do keep receipts of your credit payments.

- Do pay off one major installment debt before you take on another.
- Do make sure that all your monthly payments are equal in the installment deal you sign -- especially the last payment, which sometimes is much larger.
- Do keep track of how much you owe overall, so you don't take on more debt than you can handle.
- Do watch for changes in credit policies -- such as higher finance charges, shorter interest-free "grace periods," etc.
- Do continue to save regularly as you buy on credit -- even if it's only a small amount each week or month.
- Do protect your credit rating by making payments when and in the amounts they are due.

DON'TS

- Don't buy any item or service unless you are sure the seller is a responsible dealer.
- Don't buy anything you don't need or want -- certainly not on credit.
- Don't carry several charge accounts that are seldom or never paid up.
- Don't buy anything on credit without discussing it with family members who share financial responsibility with you.
- Don't be in any hurry to sign any installment contract or agreement.
- Don't depend on promises made by a salesman -- get them in writing.
- Don't buy on credit any item that will wear out before you have completed its payments.
- Don't buy on credit anything you will get tired of before you have finished paying for it.
- Don't ever borrow money from a loan shark.
- Don't ever sign a contract that contains blank spaces -- they could be filled in to your disadvantage.
- Don't co-sign a loan for anyone unless you have complete faith in that person's ability and willingness to repay the loan.
- Don't borrow unless you will be able to continue to save regularly, too.
- Don't accept any more credit than you need -- you'll be tempted to use more than you should.
- Don't be hesitant about seeking credit counseling advice if you think you need it or would benefit from it.

MONEY MANAGEMENT FOR WOMEN
"There Has to be Another Way"

WHEN IN OVER YOUR HEAD

How much debt you can handle depends on your individual financial situation. However, there are two warning signals that will tell you when you're in over your head:

- A home mortgage aside, if the total amount you owe is more than 20% of your annual take-home pay.
- If your monthly payments for what you've bought or borrowed on credit are more than what's left over after basic expenses are subtracted from your monthly take-home pay.

If you ever find you can't pay all your bills...

First, don't just stop paying your bills. If your family is suddenly faced with a financial squeeze, such as loss of a job or heavy medical expenses, call your creditors with an explanation. Describe your financial situation to them and offer partial payments if you possibly can. You may find that some creditors will give you one month's grace or will work out an alternative repayment plan that you can meet more easily.

Second, seek professional advice. The good news for this kind of financial bad news is that professional counseling is free at almost two hundred Consumer Credit Counseling Service offices throughout the country.

Although the budgeting help offered by credit counseling offices may vary somewhat, they all provide the following three kinds of counseling programs:

- Budget counseling: Free analysis of a family's financial situation with the assistance of a trained counselor. This is a confidential counseling session, that often includes suggestions for handling your money better, along with a discussion of financial aid--food stamps, etc.--for which you may qualify.

- Credit Counseling: Free advice and guidance on how to use credit more wisely. People who seek credit-counseling help often manage to pay all their debts as long as they live within the new budget specifically designed for them by their credit counselor.

- Debt management: For people already in financial trouble, the credit counselor will work with the family to develop a repayment schedule acceptable to them as well as to their creditors. Debt management is offered to those who after their budget counseling sessions, indicate they are having trouble paying their debts on their own.

The initial counseling session is usually free. If you decide to enter the credit counseling debt-management program, there is often a weekly charge of $2.50, which is waived in hardship cases. Participants in this kind of program are asked to give up their credit cards and not incur further debt until they have payed back all their prior debts. When the debts are reduced to the point where the consumer can again take over her finances, the debt-management program is discontinued. Statistics shows that 97 percent of the persons who finish a debt-management program never get into debt troubles again.

You don't have to be in trouble to visit a credit counselor. You can make an appointment just to discuss your finances and get advice on how to better handle your money. If you're trapped in debt, however, expert help may be a necessity.

Below is a list of credit counseling offices in the New York City metropolitan area:

- Consumer Credit Counseling Service of Greater New York
  Administrative Office
  450 Seventh Avenue
  New York, NY 10001
  (212) 594-1200

  Counseling Centers:

  Bronx.....(212) 584-1965
  Brooklyn.....(212) 855-2924
  Manhattan.....(212) 867-9850
  Queens.....(212) 526-4423
  Staten Island.....(212) 867-9851
  Nassau County (Hempstead).....(516) 292-8855

- Family Service Association
  129 Jackson Street
  Hempstead, NY 11550
  (516) 485-4600